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ESTABLISHED 1887
Algeria... 4.00 Dn. Iran... 1.15 Dn. Oman... 1.00 Dn.
Australia... 22.00 Dn. Saudi Arabia... 1.00 Dn.
Belgium... 0.80 Dn. South Africa... 1.00 Dn.
Brazil... 0.80 Dn. Spain... 1.00 Dn.
Canada... 0.80 Dn. Sweden... 1.00 Dn.
Denmark... 0.80 Dn. Switzerland... 1.00 Dn.
France... 0.80 Dn. Taiwan... 1.00 Dn.
Germany... 0.80 Dn. Thailand... 1.00 Dn.
Greece... 0.80 Dn. Turkey... 1.00 Dn.
Hong Kong... 0.80 Dn. U.S.A. (incl. Alaska)... 1.00 Dn.
India... 0.80 Dn. U.S.A. (excl. Alaska)... 1.00 Dn.
Italy... 0.80 Dn. U.S.A. (incl. Alaska)... 1.00 Dn.
Japan... 0.80 Dn. U.S.A. (excl. Alaska)... 1.00 Dn.
Korea... 0.80 Dn. U.S.A. (incl. Alaska)... 1.00 Dn.
Luxembourg... 0.80 Dn. U.S.A. (excl. Alaska)... 1.00 Dn.
Malaysia... 0.80 Dn. U.S.A. (incl. Alaska)... 1.00 Dn.
Mexico... 0.80 Dn. U.S.A. (excl. Alaska)... 1.00 Dn.
Netherlands... 0.80 Dn. U.S.A. (incl. Alaska)... 1.00 Dn.
New Zealand... 0.80 Dn. U.S.A. (excl. Alaska)... 1.00 Dn.
Norway... 0.80 Dn. U.S.A. (incl. Alaska)... 1.00 Dn.
Pakistan... 0.80 Dn. U.S.A. (excl. Alaska)... 1.00 Dn.
Philippines... 0.80 Dn. U.S.A. (incl. Alaska)... 1.00 Dn.
Poland... 0.80 Dn. U.S.A. (excl. Alaska)... 1.00 Dn.
Portugal... 0.80 Dn. U.S.A. (incl. Alaska)... 1.00 Dn.
Singapore... 0.80 Dn. U.S.A. (excl. Alaska)... 1.00 Dn.
South Korea... 0.80 Dn. U.S.A. (incl. Alaska)... 1.00 Dn.
Spain... 0.80 Dn. U.S.A. (excl. Alaska)... 1.00 Dn.
Sweden... 0.80 Dn. U.S.A. (incl. Alaska)... 1.00 Dn.
Switzerland... 0.80 Dn. U.S.A. (excl. Alaska)... 1.00 Dn.
Taiwan... 0.80 Dn. U.S.A. (incl. Alaska)... 1.00 Dn.
Thailand... 0.80 Dn. U.S.A. (excl. Alaska)... 1.00 Dn.
Turkey... 0.80 Dn. U.S.A. (incl. Alaska)... 1.00 Dn.
U.S.A. (incl. Alaska)... 1.00 Dn.
U.S.A. (excl. Alaska)... 1.00 Dn.
U.K. (incl. Channel Islands)... 1.00 Dn.
U.K. (excl. Channel Islands)... 1.00 Dn.
West Germany... 0.80 Dn. U.S.A. (incl. Alaska)... 1.00 Dn.
Yugoslavia... 0.80 Dn. U.S.A. (excl. Alaska)... 1.00 Dn.

Gorbachev Reveals A Military Budget Of \$128 Billion

By Bill Keller
New York Times Service
MOSCOW — Mikhail S. Gorbachev disclosed on Tuesday what he said was the total amount the Soviet Union plans to spend on the military this year — 77.3 billion rubles, or \$128 billion at official rates, nearly four times the nominal defense budget.

The figure, announced in a speech to the new Congress of People's Deputies, sent a surprised murmur through the congress.

Mr. Gorbachev also said nationwide local elections that were supposed to bring a mass decentralization of political power should be postponed because the country was not yet ready for them.

His proposal that elections planned for this autumn be delayed until spring was partly a concession to local Communist Party officials, who feared that they would be swept from power in a wave of anti-establishment sentiment.

The Soviet leader, in his inaugural address as president of the revamped Soviet government, tempered his familiar promises of further social and economic change with an unusually stern appeal for law and order.

The speech, to the national Congress of People's Deputies, posed to bring a mass decentralization of political power should be postponed because the country was not yet ready for them.



George Bush laughing with Hans-Dietrich Genscher as the U.S. president arrived at Cologne-Bonn airport on Tuesday.

NATO Forges Compromise in Missile Dispute

By Joseph Fitchett
International Herald Tribune
BRUSSELS — Leaders of NATO nations bridged a bitter division over short-range nuclear missiles on Tuesday by forging a compromise that turned a clashing summit meeting into a display of cohesion and political resilience.

The alliance accepted West German demands for negotiations on the missiles, but in a framework of conditions sought by the United States and Britain. Talks will start only after a cut in Soviet conventional forces and will cover only part of the West's arsenal of 88 Lance missile launchers in Europe.

Basking in the praise of European leaders for his role in breaking an impasse that had attained crisis proportions, President George Bush, appearing relaxed and confident, said the summit meeting was regarded as "the most upbeat meeting" in the alliance's 40 years.

One participant said: "The summit did not just paper over differences. It settled NATO positions on issues that have been in open dispute since 1987."

In the compromise formulation worked out overnight, the alliance agreed that it would not remove any short-range nuclear arms until the Soviet Union had completed cutting troops and armor to parity with NATO forces in Europe.



Demonstrators arguing Tuesday with policemen in front of the Beijing police headquarters after the arrests of the 11 workers in the democracy movement.

Praising Bush Plan, Kremlin Repeats Call for Wider Talks

By Edward Cody
Washington Post Service
PARIS — The Soviet Union welcomed President George Bush's disarmament proposals on Tuesday as "a serious and important step in the right direction" and said Soviet negotiators at the talks on conventional arms in Vienna were ready to "seriously discuss" the new U.S. position.

But the Soviet foreign minister, Eduard A. Shevardnadze, in the first high-level Soviet reaction to Mr. Bush's initiative, repeated the Soviet insistence that East-West arms reduction talks should include "all categories of arms as well as every one of them."

Mr. Shevardnadze's comments, at an East-West conference on human rights that opened Tuesday in Paris, seemed calculated to convey a warm endorsement of Mr. Bush's proposals, but without abandoning the Soviet goal of starting talks soon on short-range nuclear missiles in Europe.

He spoke in Paris hours after leaders of the North Atlantic Treaty Organization agreed in Brussels that any such talks could begin only after an agreement cutting back conventional weapons had been reached in Vienna and the accord was being put into effect.

Mr. Bush proposed an accelerated timetable aimed at an accord within a year and implementation by 1992 or 1993.

Without specifically establishing a linkage, Mr. Shevardnadze suggested that the mutual confidence necessary to reach a conventional accord would be difficult to establish if short-range nuclear weapons were put off limits for negotiations in this manner. In some ways, his argument seemed to be a mirror image of the Western contention that only successful conventional talks could generate an atmosphere in which short-range nuclear missile talks will be possible.

"On this point, reasonable sufficiency can only be introduced through mutual understanding," he said. "To reach this understanding, we must conduct negotiations on all categories of arms, as well as on every one of them."

As the NATO allies congratulated Mr. Bush for seizing the initiative in Brussels with his proposals to accelerate weapons and troop cutbacks, Mr. Shevardnadze also

See RESPONSE, Page 2

Kiosk

Pan Am Makes Bid For NWA

MINNEAPOLIS (AP) — Pan Am Corp. and the investor Marvin Davis said Tuesday they had each submitted acquisition proposals for NWA Inc., the parent of Northwest Airlines, but declined to outline specifics.

Pan Am indicated that it had \$2.7 billion in bank financing for a buyout plan. Its proposal also includes at least \$400 million in new equity financing. NWA stock rose on the news.

General News

Sex crimes by juveniles reportedly rise in U.S. Page 3.
Hong Kong sends refugees to a barren island refuge. Page 6.
Argentina declared a state of siege after 1,500 were arrested in widespread looting. Page 3.

Business / Finance

Japan boosted its key interest rate for the first time in more than nine years. Page 9.
China's upheaval has damaged efforts to offer a stable investment environment, businessmen say. Page 9.

Crossword

Down 18.22
The Dollar
DM 1.9833
Pound 1.572
Yen 142.745
FF 6.7535

Beijing Arrests 11 Dissident Workers

By Nicholas D. Kristof
New York Times Service
BEIJING — The Chinese government acknowledged Tuesday that it had arrested 11 workers who have been involved in the nation's democracy movement, and official news programs bitterly condemned a model of the Statue of Liberty that students have erected on central Tiananmen Square.

The arrests apparently were the first since the democracy movement began in mid-April, and they were the clearest sign so far of a crackdown against participants in the movement.

Ever since the unrest began, the government has sternly announced crackdowns, only to put off carrying them out.

The 11 who were arrested were leaders of a motorcycle club that played a conspicuous role in recent demonstrations.

The official Xinhua press agency reported Tuesday that they had been arrested for disturbing public order. The Beijing Ribao reported that the club had been disbanded.

The band of several hundred motorcyclists had become one of the most vivid features of recent protests, and it played a key role in informing the protest headquarters in Tiananmen Square about what was happening in other parts of the city.

After martial law was declared early on May 20, the motorcyclists raced around the city, searching for incoming military convoys and alerting local residents when troops were approaching.

"The riders distributed leaflets and shouted inciting slogans," Xinhua quoted a police official as saying. "They spread rumors such as 'the army is suppressing the students' to confuse and poison the people's minds."

The motorcyclists have not been seen for several days, and it is not clear whether they have given up their activities and returned to their jobs.

In addition to the 11 motorcycle riders, whom the government acknowledged were detained, an independent workers union rallied Tuesday in front of police offices to protest what it said was the arrest of three union leaders. About 1,000 people demonstrated to protest the arrests, which the police declined to confirm.

"You snatch our people stealthily; you have been unmasked," read a banner held by the demonstrators

Hedging Its Bets, Vegas Goes Family

By Robert Reinhold
New York Times Service
LAS VEGAS — Never has Las Vegas, the glittery and gaudy capital of American gambling, faced more competition for the gambling dollar, and yet never have its casinos been more popular, and profitable.

Las Vegas has responded to the new realities of gaming by trying to transform itself from sin city into family entertainment zone, where wagering seems as routine as taking in a movie.

Consider the new Gold Coast Casino, a supermarket of games. It has 72 lanes of bowling, two first-run movie houses and a clean, modern day-care center.

At the day-care center, grandmotherly women in yellow smocks mind the youngsters

until midnight, while their parents pump quarters into 2,000 video poker and slot machines, fight the odds at blackjack and keno or cheer on the ponies at the big television monitors from Belmont, Hollywood Park, Churchill Downs and other racetracks all over the United States.

"We are dealing more with the masses of people now," said the casino's part owner, Michael Ganshan, whose family has run casinos here since 1951, when card and dice table games were the main trade. "In the early days we had only a few slot machines for the wives."

Even as other parts of Nevada have suffered from out-of-state gambling competition, the Las Vegas Strip booms.

Despite new competition from Atlantic City, New Jersey, and lotteries run by 28 states and the District of Columbia that drew an estimated \$15 billion to \$17 billion last year, the number of visitors to Las Vegas swelled to 17.2 million last year, nearly a 50 percent increase since 1982.

And since 1984, gross casino revenues in Clark County, mainly Las Vegas, have grown from 41 percent to 44 percent of the U.S. casino gambling total. In 1988, casinos here raked in \$3.1 billion before taxes and expenses.

Many casino executives are privately dubious about whether this boom can continue. But for now, Las Vegas has benefited mightily from the change in American attitudes that has brought gambling out of the shadows of immorality and crime.

Why Las Vegas has skillfully positioned itself to take advantage of the change in American attitudes that has brought gambling out of the shadows of immorality and crime.

Saudi Arabia Will Ask OPEC To Allow Oil Prices to Float

By Youssef M. Ibrahim
New York Times Service
RIYADH — In a major policy shift, Saudi Arabia said Tuesday that market forces should set the price of oil and that it would call on OPEC to abolish its three-year-old target price of \$18 a barrel.

The Saudi petroleum minister, Hashim Nazir, said Riyadh would make the proposal during meetings in Vienna on Friday ahead of the midyear conference of Organization of Petroleum Exporting Countries, which opens on Monday.

Mr. Nazir said that among the motives for the move were a desire to obtain adherence to production quotas by other OPEC members, as well as a belief that demand for OPEC oil justifies prices higher than \$18 a barrel.

"The government of Saudi Arabia believes that OPEC should set for itself a production ceiling and strictly adhere to it and let the market forces set the price of oil," Mr. Nazir said.

"This will give members a chance to take advantage of situations when the price goes above \$18 a barrel."

He also said that a proposal for a floor price of \$15 a barrel, which Saudi Arabia formally made in November during an OPEC meeting and reintroduced again last week, will be withdrawn.

"Saudi Arabia, in fact, no longer considers \$18 as its target," he said. "We think the key to prices should be OPEC oil supplies and strict adherence to quotas. It makes more economic sense to set production ceilings according to supply and demand factors."

Several analysts said that the Saudi announcement was a severe shock for nervous oil markets that have looked to the Saudis and to OPEC for price guidance.

On the New York Mercantile Exchange, the price of West Texas Intermediate crude for delivery in July rose 42 cents a barrel Tuesday to finish at \$19.94.

See OPEC, Page 6

COMPROMISE IN BRUSSELS: Gesture to West Germany Allows U.S. to Salvage Summit

Summit Talks Ease NATO Defensiveness Toward Gorbachev

By Joseph Fitchett

BRUSSELS — The NATO summit meeting, officials said Tuesday, moved the alliance off the defensive in dealing with the Soviet leader, Mikhail S. Gorbachev.

By raising the stakes in the conventional disarmament talks in Vienna, President George Bush was credited with a personal triumph in finally producing a policy initiative that got his administration more closely into step with the view of many European

NEWS ANALYSIS

leaders that the Soviet Union is ready to agree to profound changes in Europe's political and military landscape.

Thanks to the summit accord, Western leaders may also have won a breathing space, perhaps as long as three years, for the alliance to adapt cohesively to the prospective radical changes in Europe's military and political landscape, without bitter squabbles over basic policies.

Amid the euphoria over the leaders' ability to find a compromise on arms control, the summit meeting was marked by the surging political authority of West Germany, which demonstrated that it has near-veto power over NATO's nuclear strategy.

As a result, the Bonn government emerged as the

political winner in NATO's months-long tug-of-war over the missiles that symbolize alliance constraints on West German freedom of maneuver with Eastern Europe and the Soviet Union.

It remains unclear how this more influential West Germany, whose policies have wavered often in recent months amid the coalition government's changing electoral fortunes, will be digested in a new pattern of European power politics and East-West developments.

Some summit participants predicted that the meeting's outcome would reinforce the West German chancellor, Helmut Kohl, whose domestic political problems motivated concessions from allied governments that were anxious not to cause a conservative defeat that would bring to power a Socialist government in Bonn.

Mr. Kohl, a British official said, "can claim that he kept his country and the United States together while delaying nuclear modernization, getting virtually immediate negotiations on short-range nuclear forces and keeping alive the possibility of ultimately eliminating them altogether."

But several diplomats said these claims might be too little to revive Mr. Kohl's political fortunes or even those of his Christian Democrats, who face national elections at the end of 1990.

Mr. Genscher, whose brinkmanship at the summit

meeting earned high professional admiration, even from allied officials who distrust his motives, accepted allied governments' conditions on fresh nuclear talks. But a U.S. official noted: "He can say at home that he deliberately inflated his original demands in order to settle for what he got — which practically speaking was everything West Germany wanted."

The outcome may whet the appetites of West Germans who want to press NATO faster into more disarmament deals. Mr. Genscher has called this "West Germany's special role," which has the effect of making Bonn a pivot of East-West dealing about Eastern and Central Europe.

At the meeting, West Germany seemed to have emerged as the preponderant and most assertive European member of the alliance, with Mr. Genscher carrying the day against the British prime minister, Margaret Thatcher. She ultimately had to concede on almost all the essential points that she had vigorously opposed in recent months.

West Germany's freedom of maneuver has been enhanced by disarray — on security and economic issues — among the major European allies.

Relations are openly strained between Mrs. Thatcher and politicians in Bonn, and France — which has applied itself to building a Paris-Bonn axis — has started registering concern, so far to little effect, about West Germany's influence in Eastern Europe, its

growing anti-defense mood and steps cutting across plans for complete economic integration by the end of 1992.

All these wider Western relations, plus the key issues aired at the NATO summit meeting, now converge on the increasingly pivotal, perhaps almost talismanic date: 1992.

NATO has set 1992 as the year when it will decide whether to deploy a new short-range nuclear missile in West Germany to replace the Lance.

That decision will be colored by the results of the Vienna talks on conventional disarmament, which President Bush says could level the Soviet Union's military superiority in Europe to a par with NATO by 1992.

By then, budgetary and demographic pressures will be intense to drastically cut armed forces and military spending in Western Europe, and the Bush administration has conceded that the United States will want the lion's share of any savings in troop strength to emerge from the Vienna talks.

Although praising Mr. Bush's disarmament offers at the summit meeting, a West German official added that "the Bonn view is that no one can stop the dynamic of the Bush proposal," explaining that the meeting accelerated Western arms-control momentum in a way that may ultimately prove hard for the alliance to manage smoothly.

WORLD BRIEFS

Kosovo Albanian Is Slain at a Protest

BELGRADE (Reuters) — The police shot and killed an ethnic Albanian protester and wounded several others on Tuesday as fresh nationalist protests erupted in Kosovo Province, where 24 people died in riots in March.

Authorities said the police exchanged gunfire with ethnic Albanians after scores of youths marched through the town of Podujevo shouting nationalist slogans. It was the first violence in Kosovo since the March riots, when clashes flared after Kosovo was forced to yield its political autonomy to Serbia, the biggest of Yugoslavia's six republics.

The Belgrade radio said policemen fired tear gas to disperse the protesters in Podujevo, 30 kilometers (18 miles) north of the Kosovo capital, Pristina. The youths were throwing stones, waving Albanian flags and banners and urging high school students and other passers-by to join in the protest. After the police intervened, both sides fired gunshots, the Tanjug press agency said. In addition to the one death, the authorities said several people were wounded but did not give a precise figure.

De Klerk to Discuss Mandela in U.K.

JOHANNESBURG (AP) — The head of the governing National Party, Frederik W. de Klerk, designated to become the next president of South Africa, said Tuesday that he would discuss the possible release of the leader of the African National Congress, Nelson Mandela, when he meets with Prime Minister Margaret Thatcher of Britain later this year.

Mr. de Klerk said that during his meeting with Mrs. Thatcher in Britain Mr. Mandela's status "is not an issue which we should address on a one-to-one basis, but not publicly." Mr. Mandela is serving a life prison sentence for sabotage.

There has been speculation in South Africa that Mrs. Thatcher would agree to visit the country in exchange for the release of Mr. Mandela. Mrs. Thatcher has opposed economic sanctions as a tactic for forcing the dismantling of the apartheid system of racial segregation. Mr. de Klerk, 53, is the presidential candidate of the National Party in the Sept. 6 general election.

30 Israelis Held in Death of Arab Girl

JERUSALEM (Reuters) — Police arrested 30 Israelis in the occupied West Bank on Tuesday in a search for Jewish settlers who clashed with residents of an Arab village and shot and killed a teen-age girl, security sources said.

The suspects included Jewish seminary students from the settlements of Eilon Moreh and Itzhak, near Nablus. A member of the group, Yehoshua Shapira, told the Israeli radio that the students went to pray at the tomb of Jewish biblical heroes in the village of Kifl Hanith and fired only when attacked by stone-throwing Arabs. "There was real danger to our lives," he said.

Wright Hints He Plans to Step Down

WASHINGTON (UPI) — Jim Wright, the Texas Democrat who is speaker of the House of Representatives, hinted Tuesday that he would resign. He said that he would announce by the end of the week whether he would leave office or continue to fight ethics charges against him.

Returning to the Capitol after a weekend in seclusion, he said of the decision facing him: "I expect to have one before the week's out. I think I know what I should do. I think I know what I believe to be in my best interest and in the interest of the institution. I want to be fair to myself and my family and my reputation and I want to be fair to this institution that I have served for 34 years."

If Mr. Wright steps down, the Democratic caucus is expected to act quickly to replace him. The speaker of the House is second in line to the presidency, behind the vice president, and it is felt the office should not be left vacant for long.

Moscow Eases on Quota for Britons

MOSCOW (Reuters) — A Soviet spokesman indicated Tuesday that a quota on British nationals in the Soviet Union, introduced after regional espionage expulsions, would not be applied as strictly as first believed. The Foreign Ministry spokesman, Gennadi I. Gerasimov, said that certain Britons and their Soviet support staff would be exempted from the quota of 205 imposed this month after each country expelled 11 of the other's nationals.

The quota, he said, would apply only to British diplomats and their Soviet support staff and British journalists accredited in Moscow. It would not apply to businessmen, Britons working in joint ventures with Soviet partners or Soviet support staff working for British companies, including news organizations.

Party Rules Nagy's Execution Illegal

BUDAPEST (Reuters) — The ruling Communist Party declared on Tuesday that Imre Nagy, hanged for treason for his role as prime minister during the 1956 Hungarian uprising, was executed illegally after a show trial.

The statement, made by a spokesman, Laszlo Major, after a session of the 118-member Central Committee of the party on Monday, overturns more than three decades of official Communist dogma.

Mr. Nagy was exhumed from an unmarked grave on March 29 for reburial with four associates on June 16, the 31st anniversary of his execution. The funeral is expected to draw vast crowds from home and abroad.

Correction

The May 27-28 issue incorrectly characterized the position of President Richard von Weizsäcker of West Germany, who actually said that his country was no longer "a playing ball" in foreign relations.

TRAVEL UPDATE

Stockholm to Charge Car Commuters

STOCKHOLM (Reuters) — The Stockholm local government has agreed to propose a monthly fee of 300 kronor on cars entering the city to encourage motorists to use public transportation.

The plan is part of an anti-pollution drive designed to prevent an increase in the half million cars that enter Stockholm every day. The fee, equivalent to \$45 and conditional on central government legislation, is due to be introduced in September next year. City officials said it was hoped that the plan would raise about 300 million kronor, which will be invested in public transportation.

The East German airline Interflug will start flights July 1 to Bangkok via Dubai and Singapore using Airbus A-310 jets, the Berliner Zeitung reported Tuesday.

Tourists in Rome got an after-hours look at the Forum and free tours of the Palatine Hill and the Colosseum on Tuesday because of a work action by caretakers. The Forum is closed Tuesday afternoon, but the caretakers, decided to work overtime and give away tickets as a way to protest working conditions and what they say is excessive bureaucracy. (AP)

WEATHER

EUROPE				ASIA			
	HIGH	LOW	WIND		HIGH	LOW	WIND
Amsterdam	22	12	W 10-15	Bangkok	32	24	E 10-15
Antwerp	21	11	W 10-15	Beijing	29	19	E 10-15
Berlin	20	10	W 10-15	Calcutta	31	21	E 10-15
Bombay	30	20	E 10-15	Chongqing	28	18	E 10-15
Buenos Aires	25	15	W 10-15	Hankow	27	17	E 10-15
Cardiff	20	10	W 10-15	Harbin	26	16	E 10-15
Cairo	30	20	E 10-15	Heilongjiang	25	15	E 10-15
Canton	28	18	E 10-15	Hong Kong	29	19	E 10-15
Cebu	27	17	E 10-15	Kobe	28	18	E 10-15
Colon	26	16	E 10-15	Manila	27	17	E 10-15
Dacca	25	15	E 10-15	Osaka	26	16	E 10-15
Dahomey	24	14	E 10-15	Shanghai	25	15	E 10-15
Dakar	23	13	E 10-15	Singapore	24	14	E 10-15
Damascus	22	12	E 10-15	Tokyo	23	13	E 10-15
Dar es Salaam	21	11	E 10-15				
Delhi	20	10	E 10-15				
Dhaka	19	9	E 10-15				
Dublin	18	8	E 10-15				
Edinburgh	17	7	E 10-15				
Geneva	16	6	E 10-15				
Helsinki	15	5	E 10-15				
Istanbul	14	4	E 10-15				
London	13	3	E 10-15				
Lyon	12	2	E 10-15				
Moscow	11	1	E 10-15				
Nairobi	10	0	E 10-15				
Paris	9	-1	E 10-15				
Rangoon	8	-2	E 10-15				
Rome	7	-3	E 10-15				
Sao Paulo	6	-4	E 10-15				
Seoul	5	-5	E 10-15				
Shanghai	4	-6	E 10-15				
Singapore	3	-7	E 10-15				
Taipei	2	-8	E 10-15				
Tientsin	1	-9	E 10-15				
Yokohama	0	-10	E 10-15				

Bush, in Bonn, Hails New Hopes for Peace

By Bernard Weinraub

By Bernard Weinraub
New York Times Service
BONN — President George Bush arrived in Bonn Tuesday afternoon and told Chancellor Helmut Kohl that the West was looking for "goals of peace and European reconciliation" than at any time since the founding of NATO 40 years ago.

Mr. Bush was plainly exultant at the North Atlantic Treaty Organization's positive response to his arms-control proposals, which averted a clash with Bonn over short-range nuclear arms. He repeatedly emphasized the closeness of U.S.-West German ties after months of quarreling over Mr. Kohl's demand for early talks with Moscow on short-range missiles.

With the dispute resolved, at least for the moment, Mr. Bush sought quickly to offer a series of public messages meant, in the words of one senior White House aide, to have "a soothing effect" on German public opinion.

"The United States and its allies share a vision of a less militarized Europe where great armies no longer face each other across barbed wire and concrete walls," Mr. Bush told Mr. Kohl at a dinner.

"That is why I put forward my conventional arms control initiative at the NATO summit," Mr. Bush added. "We seek a Europe without barriers, united by free markets and democracy."

Mr. Kohl sought in a long speech to deal head-on with speculation that U.S.-German ties had frayed. "In recent weeks much has been said and written about German-American relations," he said. "It has been suggested that the post-war era has finally come to an end and that the German-American relationship is undergoing a fundamental change."

"Changes do, of course, take place in relations between nations," he went on, adding that "the present generation did not experience the postwar era" and "takes much of what has been achieved for granted."

Mr. Kohl said that firm bonds cemented U.S.-German ties "even

if we disagree on this or that political issue, whether now or in the future." He added that it was "a distortion" and "not a true reflection of reality" to contend that West Germany was alienating itself from the West.

"This seems to be the impression gained by some observers in the United States," said the West German leader, adding that his country's "anchorage in the Western community is irrevocable."

U.S. officials said that Mr. Kohl, in his meetings with Mr. Bush, was even more pleased privately than he was publicly. "He's walking with light steps," said a senior White House aide, referring to Mr. Kohl. "It took a big load off his shoulders."

Mr. Kohl said after an hour-long meeting with Mr. Bush, "We were all winners in Brussels."

Although Mr. Bush initially opposed Bonn's plan for talks with Moscow on the short-range missiles, saying it was a slippery slope toward a nuclear-free Europe, he proposed that a conventional arms agreement take place by 1992 or 1993 — a move that delayed a decision on the short-range nuclear arms issue.

After a brief meeting with the West German president, Richard von Weizsäcker, at the official residence, Mr. Bush drove with Mr. Kohl to the chancellor's office.

The dinner was a formal, elaborate affair, with guests including Foreign Minister Hans-Dietrich Genscher — the key government figure pressing for talks with the Russians — former Chancellor Willy Brandt and Economics Minister Helmut Haussman.

Mr. Bush said that "winds of change" were stirring across Eastern Europe. "It is happening, in part, because Mr. Gorbachev has seen that our society works and that his does not," he added, referring to Mikhail S. Gorbachev, the Soviet leader.

On Wednesday, Mr. Bush will meet again with Mr. Kohl, deliver a foreign policy speech in Mainz and then go for a ferry ride on the Rhine before flying to London.



Prime Minister Margaret Thatcher shielding her eyes during a Brussels press conference. She praised the compromise NATO formula on including short-range nuclear weapons in arms talks.

NATO Text Key Points On Missiles and Talks

BRUSSELS — Following are excerpts from the final statement issued Tuesday at the NATO summit meeting relating to modernization of the Lance missile and to short-range nuclear force negotiations:

In view of the huge superiority of the Warsaw Pact in terms of short-range nuclear missiles, the alliance calls upon the Soviet Union to reduce unilaterally its short-range nuclear systems to the current levels within the integrated military structure.

The alliance reaffirms that at the negotiations on conventional stability it pursues the objectives of:

- The establishment of a secure and stable balance of conventional forces at lower levels.
- The elimination of disparities

prejudicial to stability and security.

• The elimination as a matter of high priority of the capability for launching surprise attack and for initiating large-scale offensive action.

In keeping with its arms control objectives formulated in Reykjavik in 1987 and reaffirmed in Brussels in 1988, the alliance states that one of its highest priorities in negotiations with the East is reaching an agreement on conventional force reductions which would achieve the objectives above.

In this spirit, the allies will make every effort, as evidenced by the outcome of the May 1989 summit, to bring these conventional negotiations to an early and satisfactory conclusion. The United States has expressed the hope that this could be achieved within six to 12 months.

Evolution of Arms Plan: A Swift and Secret Trip

By Ann Devroy

WASHINGTON Post Service
BRUSSELS — Last Wednesday at 3 A.M., the U.S. deputy national security adviser, Robert M. Gates, and Deputy Secretary of State Laurence S. Eagleburger, alighted from a U.S. Air Force jet in London, armed with the outline of President George Bush's first major foreign policy initiative. It was the proposal to reduce conventional arms in Europe that Mr. Bush would unveil at the NATO summit meeting here.

Over the next 30 hours, the two raced in secrecy from London to Paris to Rome to Bonn to Brussels to Amsterdam, briefing leaders on the proposal and testing reactions.

In Washington, the same Wednesday, a frustrated President Bush had thrown the White House bureaucracy into chaos. According to aides, he was handed a major speech to be given that day at the U.S. Coast Guard Academy graduation, and he hated it. The text had the same tone as two previous speeches in a series of five major foreign policy addresses: It was suspicious of Soviet intentions and dismissive of their proposals.

President Bush is said to have told aides he was disappointed with those speeches and the reception they had received. Advisers used such adjectives as "outdated," "junk" and "unpresidential," Mr. Bush, working on the text, told aides he wanted the Coast Guard graduation speech to welcome new Soviet proposals for conventional arms reduction that President Mikhail S. Gorbachev had outlined to Secretary of State James A. Baker 3d in Moscow two weeks earlier.

After frantic revisions, Mr. Bush delivered what one aide called "the speech he wanted." He hailed the Soviet proposals and said Moscow, at last, was "being forthcoming." The new Soviet proposals, he said, meant that through negotiations "we can transform the military landscape of Europe."

The new tone from President Bush matched the arms initiative being carried by Mr. Gates and Mr. Eagleburger around Europe that day. The weekend before, in the idyllic setting of the Bush family

compound on the Maine coast, the president, after huddling with senior aides, had approved the initiative and set in motion the process.

According to senior officials traveling with the president, the genesis of the proposal was not the proposed foreign policy review, which one official said "hung like a millstone around the president's neck," keeping him from moving on most foreign policy fronts in his first months in office.

The review, an official said, "had not produced the initiatives the president wanted."

"The quality and scope of ideas were poor to mediocre," the official added. "Unsurprisingly, when the bureaucracy was asked to take on the task, they did not produce much."

Instead, the official said, Mr. Bush "decided to do this another way" — bypassing the normal channels and endless review process and working with only a handful of officials. The proposal was assembled in just seven days.

The initiative grew from several main sources, senior officials said, including Mr. Bush's annoyance with what an adviser called the "trifles" being produced for his international debut at the NATO meeting and, more broadly, from the president's pledge during the campaign — after an early emphasis by his Democratic opponent — to reduce conventional arms.

"The turning point" in moving the concept of a proposal to reality, the officials said, came as a result of Secretary of State Baker's sessions with Mr. Gorbachev from May 10 to May 12. After the Soviet leader had outlined the broad conventional-arms package he intended to propose, officials said, and Mr. Baker had discussed them with Mr. Bush and the national security adviser, Brent Scowcroft, the president decided the Soviet move was substantive, and should be matched and trumped.

A senior official said Mr. Gorbachev's discussions with Mr. Baker "did show an overall thrust in the direction of the NATO proposal, and did indicate a seriousness of intent in terms of his purposes and his general thinking on the matter."

SOVIET: Military's \$128 Billion

(Continued from page 1)
demonstrators last month in the Georgian capital, Tbilisi.

Colonel General Igor N. Rodionov, the regional military commander, defended the action of the troops and said the events had been distorted by the Soviet press and Georgian nationalists.

Dzhambur Patisashvili, who was removed as Georgian party leader a week after the April 9 bloodshed, said he had approved the decision to have troops clear demonstrators from Tbilisi's central square only after assurances from General Rodionov that the soldiers would be unarmed. The soldiers carried the crowd with shovels and toxic gas, leaving 20 dead.

When he learned that the square was packed with demonstrators, Mr. Patisashvili said, he urged that the operation be postponed.

"Unfortunately, instead of the planned dispersing of the unsanctioned rally, the demonstrators were encircled and cruelly beaten," he said.

The congress agreed to set up a commission to investigate the incident.

Mr. Gorbachev's proposal to postpone local elections appeared to reflect a sense in the Communist

Jet Airliner Loses Fuel

The Associated Press

HONOLULU — A TWA wide-body jet made an emergency landing after developing a fuel leak and running low on fuel, and airline officials said they were uncertain how close it came to a forced ditching in the Pacific.

Mr. Gorbachev's 90-minute speech seemed tailored to reassure conservatives and calm the impatience in the 2,250 member congress.

NATO: Compromise Ends a Cliff-Hanger

(Continued from page 1)
U.S. missiles and other nuclear weapons in Europe, the backing was qualified by the phrase "in the foreseeable future."

If West Germany refuses to deploy a new U.S. missile in 1992, when the alliance is scheduled to decide whether and how to modernize its short-range nuclear forces, NATO would move toward a unilateral third zero as Lance missiles were retired.

Although Hans-Dietrich Genscher, the West German foreign minister, backed off earlier threats to block any linkage tying the missile talks to the Vienna negotiations, the summit completed steady alliance movement in recent months toward his positions. It delayed any NATO decision about 1992, accepted the principle of negotiations on short-range nuclear forces and proposed a timetable that means that NATO leaders will start consultations immediately on a Western strategy.

Prime Minister Margaret Thatcher of Britain, the most hard-line Western leader in opposing new nuclear talks, finally accepted the NATO compromise early Tuesday after an all-night negotiating session among foreign ministers.

"Given the Bush administration's decision to accept the principle of talks and the U.S. view that an accord was within reach, she was not going to be the spoiler," a British official said.

Mr. Kohl, described by an aide as "a very relieved man" over the summit outcome, credited the new

RESPONSE: With Praise of U.S. Plan, Soviet Union Urges Wider Talks

(Continued from page 1)

mutual Kohl. Although the NATO compromise pledged support for said the Soviet Union had been making disarmament proposals for some time. Clearly conscious of Mr. Bush's impact, he suggested that Mr. Bush had in fact acted in response to the Soviet leader, Mikhail S. Gorbachev.

"The Soviet Union has been calling on the United States for a long time already to reduce its troops and arms in Europe in the context of the reduction in the general level of confrontation on the continent," he said.

"We are delighted that our course 'from a position of force,' the force of initiatives, is showing

itself effective, that the peace offensive is bearing its fruit."

Mr. Shevardnadze's presence at the conference's opening session appeared designed to emphasize the importance that Moscow attached to a process set in motion by the agreement in January at the Conference on Security and Cooperation in Europe.

The conference, in addition to starting the new conventional weapons talks, scheduled regular follow-up sessions to monitor human rights observance among the 35 participating states in Europe and North America.

The Paris meeting, which will end June 23, is the first in a series of three on what has been termed "the

human dimension" in East-West relations.

Copenhagen has been chosen for the next session, next year, and Moscow for the year after that.

Agreement to hold the third human rights

Sex Offenses by Juveniles Are on Rise in U.S., Counselors Say

By Felicity Barringer
New York Times Service

KEYSTONE, Colorado — The crimes appear both aberrant and sporadic: high school football captains accused of the degrading sexual assault on a mildly retarded girl in a New Jersey suburb; high school hockey players in a Minneapolis suburb accused of the hotel-room rape of a 13-year-old fan; a 15-year-old inner city youth saying he raped a 12-year-old neighbor because "she really wanted it."

But to professional counselors, psychologists and social workers, like those who gathered here this past weekend for a conference on juvenile sex offenders, these cases are visible symptoms of a pervasive hidden phenomenon.

They say that thousands of children and teenagers — perhaps tens of thousands — are committing crimes of sexual abuse, usually against other children.

Perhaps most disturbing to professionals is the age of the offenders. They enter treatment programs at 13, 14, 15 and even 16.

The Pittsburgh-based National Center for Juvenile

Justice reports that, from 1976 to 1986, the national arrest rate for 13 and 14-year-olds accused of rape doubled, from 20 arrests per 100,000 children to 40 per 100,000, according to the center's director, Hunter Hurst.

For the lesser category of sex offenses like exhibitionism, grabbing or fondling, the arrest rate for 13 and 14-year-olds increased by 80 percent over the last decade, while the arrest rate for 12-year-olds increased by 60 percent.

"I've been working with these kids for 15 years now," said Judith Becker, a psychiatrist at Columbia University's New York State Psychiatric Center. "The age of the perpetrators has been decreasing and the age of the victims has been decreasing. When I first got involved, the average age of the victims was 12. Now it's 8."

In the vast majority of cases, according to experts, the abuser had been abused in childhood, and many of the new victims are also at risk to join the ranks of abusers when they are older.

The offenses involved range from exhibitionism to

inserting foreign objects into a victim's vagina or rectum.

Treatment programs for these children have expanded widely, by more than 66 percent from 1986 to 1988, according to a study by Fay Honey Knopp and William Ferret Stevenson of the Safer Society program in Vermont.

All of the professionals who gathered in this Rocky Mountain resort agreed that the existence of such offenders and the extent of their abuse has long been hidden by a combination of disbelief and shame on the part of the young victims and the families involved.

According to Gail Ryan of Denver's Kempe Center, the phenomenon has been so hidden that there is no way to tell if the recent increase in reports of adolescent sex crimes represents a real increase in such occurrences or simply an increased willingness to, as she said, "call a spade a spade."

Columbia's Dr. Becker said that 80 percent of the victims are part of a child's everyday world — acquaintances and friends, children for whom the offender babysits, or even relatives and siblings.

Part of adult reluctance to intervene, Dr. Ryan and other experts said, is due to memories of the sexual experimentation of their childhood and an inability to differentiate between experimentation and abuse.

"Normal sex play has several components," said Toni Cavanaugh-Johnson, psychologist with the Children's Institute International in Los Angeles.

"The kids are similar ages, they both agree, it happens within a short period of time, and it's limited to the showing and touching of genitals. The children are curious and giggly."

"When you get the children I'm working with, they are very angry, anxious, and confused," she said. "What they do is based on those feelings."

Shortly after the rape and beating of a 28-year-old woman who was jogging in Central Park last month, Dr. Becker asked a group of 13 to 18-year-old sex offenders from the inner city about it.

"None of these youngsters had any empathy or sympathy at all for the victim," she said.

"They all felt the kids who were arrested were getting a raw deal, being in jail without bail."

AMERICAN TOPICS

Under Capitol Dome, Mail Is Gridlocked

If you are concerned about a public issue, write your congressman. This American tradition is thriving. The Washington Post reports. The volume of mail sent to the U.S. House of Representatives has increased more than tenfold to 156.6 million pieces last year from 14.5 million pieces in 1972, according to the House postmaster, Robert V. Rota. He says he expects the volume to increase this year, to 391.5 million pieces.

The House has been so inundated with mail in the last month that it takes a week to get it to members. Mr. Rota and other House staff workers attribute the flood to special interest groups. Constituents have sent in thousands of postcards and letters about the ethics investigation of Speaker Jim Wright, Medicare, gun control, abortion and animal rights.

Short Takes

Several U.S. manufacturers are facing their household products with Bittrex, the world's bitterest flavoring agent, to discourage infants from swallowing them. Many British companies already do so. Procter & Gamble adds Bittrex — the brand name for denatonium benzoate — to liquid laundry detergents at a cost of less than half a cent a bottle. A couple of tablespoons of Bittrex can make a tank car full of water undrinkable. The product has no value in extremely corrosive household products, like drain or oven cleaners, that cause instant injury.

A computer virus "infected" as many as 6,000 terminals in November at businesses, universities and military installations across the country. It took several days to clear out. Last week, Cornell University suspended Robert Tappan Morris, 23, the graduate student who, a school commission said, was the author of the



TIME TO REMEMBER — Camille Roundtree paused at the grave of her brother, Joseph Teixeira, a veteran of World War II, on Memorial Day at the Mount Hope Cemetery in Boston.

rogue program. Although a federal grand jury has considered the case, no charges have been filed.

Iowa's legalization of riverboat gambling will make jobs, but not everyone is thrilled. According to one study, a single riverboat could generate \$50 million in annual tourism and create 2,800 jobs. "I don't want our children growing up to be blackjack dealers," said James Stockdale, leader of the Iowa Alliance Against Riverboat Gambling.

So many households have both spouses working these days that "filler" brush door-to-door sales personnel are finding fewer people at home. So the company is switching much of its merchandise to direct mail advertising and factory-outlet stores. Avon in cosmetics and Tupperware in plastic food containers tried this but gave up when their sales forces revolted. Fuller has kept its salespeople, mostly female part-timers, contented by keeping door-to-door prices as low as catalogue prices and by encouraging catalogue users to arrange for Fuller representatives to visit their homes.

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Joe Rivers, the television comedian, gave the commencement speech last week at the University of Pennsylvania, where his daughter, Melissa Rosenberg, was graduating. Ms. Rivers' words were inspirational, if unusual: "Get out there," she exhorted, "work hard, and thank God we're living in a country where the sky's the limit, the stores are open late and you can shop in bed thanks to television."

Notes About People
Tom Clancy, author of "The Hunt for Red October" and three other best-selling novels in the last five years, has decided to take a break and go to work for the government. Mr. Clancy, who

had his own insurance business before his writing career took off, has been offered a job as an unpaid consultant to the National Space Council, according to Newsweek magazine.

Arthur Higbee

North Korea Seeks Deal With U.S. Over MIAs

By Nicholas D. Kristof
New York Times Service

BEIJING — A North Korean official said Tuesday that his country would return the bodies of five U.S. servicemen once the United States lifts sanctions imposed last year against North Korea.

Chun Chang Jun, North Korea's ambassador to China, criticized the United States for imposing the sanctions, which were ordered after the United States determined that North Korea was involved in terrorism. But Mr. Chun also called for improved relations and increased contacts between the two countries.

The diplomat appeared to be signaling North Korea's desire for warmer ties with the United States, as well as concern over American allegations of North Korean terrorism. In the past, Mr. Chun has declined interviews, but the one Tuesday was at his initiative.

Mr. Chun said that if the United States had not charged North Korea with terrorism, the remains of five servicemen killed during the Korean War could already have been returned. He also hinted that if relations improved, it might be possible to search for and find other remains of those still missing.

Except for Scandinavian nations, most Western countries do not have diplomatic relations with North Korea. Westerners are rarely permitted to travel there and there are few North Korean embassies around the world, so the ambassador to Beijing sometimes functions as his nation's press spokesman.

Mr. Chun is regarded by other diplomats in Beijing as an unusually active emissary of his country. Since he arrived in China last year, he has held press conferences and

opened up lines of communication to other countries.

Since December, the United States and North Korea have held four meetings in Beijing, at the level of senior diplomats below ambassadorial rank, but so far the meetings are said to have achieved little more than providing a forum for each side to restate its views.

Mr. Chun expressed irritation Tuesday at what he said were American disclosures to the South Korean authorities, subsequently publicized, about the content of the talks in Beijing.

The United States imposed sanctions against North Korea after accusing it of involvement in the November 1987 bombing of a South Korean passenger plane, in which all passengers died. A woman has confessed to the bombing and said she did it at the behest of the North Korean leadership.

Last fall, after North Korea did not sabotage the Olympic Games in Seoul, the United States agreed to resume some contacts.

"To connect us with terrorism, which we have nothing to do with, is nothing but an insidious attempt to sling mud at the high international prestige of our republic," Mr. Chun said. "Since they talk about international terrorism, I will talk about it. It is none other than the United States that today is a violent place and the kingdom of terrorism."

Despite the harsh rhetoric, Mr. Chun was cordial, almost apologetic during the interview. He said that if the United States would withdraw its troops from South Korea and avoid interfering in Korean affairs, his country could have good relations with the United States.

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Fiber in Diet: Just a Bit Will Suffice

New York Times Service

NEW YORK — Increasing the amount of fiber in one's diet too quickly can cause severe constipation and other problems, especially for people who have had bowel surgery, doctors now caution.

Recent attention to the ability of oat bran and other high-fiber grains to combat constipation and reduce cholesterol levels has led to greater consumption of high-fiber foods.

However, a letter in a recent issue of The New England Journal of Medicine from doctors in Norwalk, Connecticut, described the problems of a 75-year-old man who began eating 6 to 10 oat bran muffins a day.

Complaining of nausea, frequent vomiting and stomach pain, he was admitted to a Norwalk hospital, where doctors discovered blockage in his small intestine. Surgical removal of the 2-foot-long mass of ungelatinized oat bran fiber was required.

The doctors suggest increasing the amount of bran in one's diet slowly, over a period of four to six weeks, and suggest 10 to 25 grams (about an ounce) of bran fiber a day as being sufficient for salutary effects.

Argentina Declares a State of Siege After 1,500 Are Arrested in Looting

Compiled by Our Staff From Dispatches

BUENOS AIRES — Merchants barricaded their shops Tuesday and police guarded grocery stores after President Raúl Alfonsín declared a 30-day state of siege to stop looting by people driven to desperation by the economic crisis.

More than 1,500 people have been arrested nationwide and at least three persons have died in five days of unrest, according to reports from officials in major cities.

Many groups of looters have been led by women and children, some of whom have eaten in supermarkets before fleeing with food.

Enraged by soaring prices and low wages, crowds rioted at least 54 stores in Rosario, 300 kilometers (190 miles) northwest of Buenos Aires, on Monday. Some reports said as many as 100 businesses had been damaged. Police arrested about 750 people in unrest that began before dawn and continued until midnight, when a curfew took effect.

At least three persons were killed in Rosario, the government news agency Telam said. Police said 41 persons, including five policemen, were hurt by robber bullets, tear gas, stones and fists in clashes there.

About 500 looters were arrested in suburbs south of Buenos Aires, the police said. Some skirmishes were also reported in the western

city of Mendoza, where a supermarket was firebombed on Friday and others were looted on Monday. In the central city of Córdoba, where 200 looters were arrested last week, there was a "hunger march."

Most businesses in the capital were closed Tuesday and some shopkeepers barricaded their stores. Schools remained shut for the second day, and public transportation was minimal.

Two bombs exploded in Buenos Aires early Tuesday, but the police reported no injuries. One destroyed the entrance of an office of the Radical Civic Union Party, which was defeated in May 14 elections, and the other caused some damage outside a Communist Youth Federation office.

Both national and provincial political leaders accused agitators of the extreme left of inciting the riots, although most officials acknowledged that a pervasive public desperation had needed only a spark to ignite.

Mr. Alfonsín's state-of-siege order suspends civil liberties in an attempt to end the unrest by curbing angry at soaring inflation, rising unemployment, a devalued currency and shrunken wages.

Under the state of siege, police can conduct raids without warrants and make arrests without specific charges. The decree must be approved by Congress.

The Alfonsín government, which replaced a military dictatorship in 1983, "had no alternative than this measure to preserve order and guarantee the property and liberty of citizens," the Interior Ministry said.

President-elect Carlos Saúl Menem, a Peronist who is due to take office on Dec. 10, backed the decree.

It is the second uprising of its kind in a Latin American nation in four months. In February, at least 276 people died in Venezuela when rioting broke out over a government austerity plan aimed at easing payments on the foreign debt.

Argentina has foreign debt of about \$59 billion, and inflation reached nearly 390 percent last year. Government austerity measures have added to the difficulties faced by Argentina's people.

Leftist leaders denounced the state of siege and attributed the disturbances to the failure of Mr. Alfonsín's economic policy.

Luis Zamora, a leader of the Movement Toward Socialism, said, "The way to calm people down is to grant an immediate salary rise of 100 percent, index wages weekly, freeze prices and tell businesses and stores, on pain of confiscation, to deliver immediately food and medicine at the frozen prices." (AP, LAT)

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INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

Back to a Sinister Pact

New winds in the Soviet bloc are blowing open pages of history long deliberately closed, and nowhere with more potential explosiveness than in the matter of the Hitler-Stalin pact of 1939. By this secret agreement the Soviet Union and Nazi Germany, among many other ugly things, split up Poland and laid the basis for Soviet annexation of eastern Poland and the three Baltic states of Estonia, Latvia and Lithuania in World War II.

All of this could be considered as something that the current reformist Soviet leadership might be prepared to move, to regret and even to apologize for now in the spirit of a new start. But this is not happening. The Kremlin is lagging and lying on the pact. Nor is it hard to guess why. The pact led to the Soviet Union's acquisition of real territory, and denunciation of the pact leads by a long but compelling route to the question of whether Moscow is prepared to give the territory back.

Actually, it is harder. Set aside for the moment the Baltics. The Soviet Union did not merely cut itself a slice of Poland. It moved Poland 200 miles west, paying off the Poles for the loss of their eastern territories by giving them Germany's eastern territories.

Thus did the Soviet Union create the possibility in the minds of millions of Europeans that someday the Germans would seek to reclaim their territories: "revanchism," or revenge-taking. In short, to satisfy its own war aims, Moscow permanently alienated a people it liberated, in Poland, and built a permanent grievance into the mentality of a people it defeated, in Germany.

Since the war, the two great powers have gone to great lengths to prevent either of these grievances from moving from the suppressed category to the active file. This was the compensating achievement of 40 years of an otherwise dangerous and costly Cold War. But as the Cold War fades, these long-buried questions of the borders, national rivalries and ethnic claims of Europe start to be argued again.

None of this is to say that the archives must remain sealed. It cannot happen. It would be unjust and unfair. Europe must be true to itself. To be reminded of the history of modern Europe, however, is to be reminded of the requirement to proceed with eyes open. A new age of peace in Europe, if it dawns, is going to have to deal with the still-smoldering legacy of old wars.

—THE WASHINGTON POST.

How to Help Lebanon

Briefly, the Arab governments took the risk of trying to end the carnage in Lebanon by calling an emergency summit at Casablanca. Quickly, the effort disintegrated, leaving the intended beneficiaries even more exposed to the curse of Lebanon, which is not its sectarian divisions but the readiness — the hunger — of its supposed friends to use it as an arena for their own bloody rivalries.

Actually, something like this was said at Casablanca. The two outside powers currently doing the most to pump up the bloodshed in Lebanon are Syria, which is manipulating the aggrieved Muslim community in pursuit of its ambition of a greater Syria, and Iraq, which is now seeking the aggrieved Christian community to punish Syria for its support of Iran in the Iraq-Iran war. Syria's and Iraq's foreign ministers traded personal insults of "liar" and "liar." The exchange seems a fair sample of the level of their concern for Lebanon. Others at the summit offered a proposal to start replacing Syria's occupation with an Arab peacekeeping force, but Damascus, although isolated, resisted, and nobody wanted to take on its 35,000 troops. As the summit closed, another car bomb exploded

in the northern Lebanese town of Tripoli. The Syrians had a plausible mandate to intervene in Lebanon in 1975, but long ago they outran their welcome and their usefulness and they now remain involved strictly for reasons of narrow pride. The Iraqis have not even Syria's negligible pretense to be poking around. They can all agree that Israel's southern Lebanon presence should be ended, and it should be, but they cannot agree to end the foreign presence that hurt Lebanon most — their own.

Many Arabs write at the charge that the conflict in Lebanon demonstrates their lack of taste or talent to provide a suitable hospitality to pluralism. The way to disarm this pumping charge is to keep hunting for a formula for peace. It must involve a new constitutional relationship between Christians and Muslims as well as provision for the evacuation of all foreign forces. The Lebanese, for all their terrible divisions, still have a feeling for the unity of their country. Their Arab friends, if they are not to make a positive contribution to the restoration of their nationhood, at least have an obligation not to stand in the way and not to prevent the Lebanese from trying themselves.

—THE WASHINGTON POST.

Go Easy on the Dollar

The dollar is soaring in value. Just this month it has risen about 6 percent against the yen and the Deutsche mark. Ordinarily, that would be reason for American consumers to cheer: They are collectively richer. But times are not ordinary. A strong dollar poses a modest risk for the economy, and there is a worse risk: that the Federal Reserve Board and Congress will overreact.

Efforts by the Group of Seven industrialized countries to stop the dollar's rise have failed. That leaves the Federal Reserve with one option — to discourage foreign investors by lowering domestic interest rates. Demand for the dollar would fall, lessening its value. But to lower interest rates the Fed would have to create more money than it otherwise intended. That could cause higher, perhaps even ruinous inflation. The Fed understands the risk and has so far rejected calls to alter its monetary policy significantly. That firm resolve deserves approval and support.

Congress's likely response to the higher dollar would deserve no such approval. As foreigners pay more to buy dollars, they would buy fewer U.S. exports. Affected parties would lobby Congress for protectionist legislation. A few corporations and workers would win; everyone else would lose.

Why should halting the dollar's rise be a national concern? After all, the rise means that dollars would buy more French wine, Japanese stereos and Italian shoes. And the influx of foreign investment — which has caused the dollar to rise — creates jobs. Yet there is cause for concern. A higher dollar also creates losers. A fall in exports would curtail America's trade deficit even more. Jobs in export industries would be lost.

Paul Krugman, an MIT economist, emphasizes a more subtle problem. The recent

rise of the dollar may be irrational — a speculative "bubble" unrelated to long-term trade and investment flows. Political turmoil in China, Japan and West Germany has made the United States a safe haven for fearful foreign investors. Their collective purchases explain some of the dollar's recent rise. The capital inflow will likely reverse as calm returns.

As demonstrated by the sharp drops in the dollar at the end of last week, a rising dollar one day portends a sinking dollar the next. Such volatility damages the economy. It scares off long-term productive investment in manufacturing and other export sectors.

Ideally, the Federal Reserve would act against temporary, regulatable fluctuations in the dollar but keep hands off large fluctuations that reflect more permanent changes. The danger, warns Professor Jagdish Bhagwati of Columbia, lies in having the Fed try too hard. How much of the recent rise in the dollar is temporary? How much is permanent? The Fed doesn't know, and neither does anyone else. If it errs and tries to push the dollar too low, inflation will strike. Especially alarming are calls for the Fed to push the dollar so low that the U.S. trade deficit disappears.

The Fed continually adjusts its monetary policy to reflect new projections about domestic inflation and employment. That is necessary. If, in addition, it decides to ease monetary policy in order to lower the dollar, the intervention will work best if kept modest and temporary. No big damage can occur if the Federal Reserve permits the money supply to grow slightly faster for a few months. If the Fed persists, it risks converting trouble into a debacle.

—THE NEW YORK TIMES.

Other Comment

For U.S.-Japanese Reforms

The United States has called Japan to task for "unfair" trade practices under the Super 301 clause of its 1988 Trade Act. The U.S. action is intended to force changes in Japan's trade practices that Washington believes hamper U.S. exports.

The clause is widely suspected of being in violation of the General Agreement on Tariffs and Trade, whose rules call for multilateral negotiations in solving trade issues. The act allows the United States to unilaterally determine the culprits and force them into bilateral negotiations. The U.S. government cited Japan, along with Brazil and India, for unfair trade practices. It is extremely unfortunate, not only for the three countries cited but also for the United States.

Both the U.S. government and the public

put spending before saving. Seeking only short-term gains, U.S. corporations appear to care little about the quality and prices of their products. Efforts and policies are needed in the United States to change these shortcomings. The Japanese government should point out these concerns frankly to the United States. We want the government to urge the United States to reflect upon its action in multilateral negotiations with other countries. The OECD meeting this week and the Paris summit in July will be places suitable for negotiations.

America should take more blame for the current trade imbalance. Japan should bear some burden, as well. Bilateral negotiations will be meaningful only if both sides recognize the need to improve the economic structure at the root of the trade imbalance.

—Asahi Shimbun (Tokyo).

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The Palme Commission Showed the Way

By Cyrus Vance and James Leonard

NEW YORK — An interesting experiment has just been brought to a close. It was carried out not in a laboratory but around a series of conference tables. Gathered by Olof Palme, the late prime minister of Sweden, 16 men and women in 1980 set out to chart a way out of what seemed to be a nearly hopeless tangle of international conflicts.

The Palme Commission, as it came to be known, was comprised of former heads of state, cabinet-level officials and political leaders; it included individuals from countries in NATO and the Warsaw Pact, industrialized nations in Europe and North America and developing countries in Africa, Asia and Latin America.

The commission was sharply divided at first. Our chairman, himself a strong personality, found that keeping peace in the room was sometimes not much easier than bringing peace to the world. But after a year or so of nearly monthly meetings, a consensus began to emerge on a number of points. These proposals — powerful enough to bridge the gaps among us — were derived from a single idea. We called it, eventually, "common security."

The concept stems from one overriding truth: In the nuclear age, no nation can achieve true security by itself. Technology has made the traditional concept of national security obsolete.

All nations — rich and poor, peaceful and belligerent, socialist and capitalist — are bound by their vulnerability to attacks with nuclear,

chemical or biological weapons. Even wars in which only so-called conventional weapons were used could be enormously destructive with today's technologies.

National boundaries are permeable in other ways as well. Nations are limited by their vulnerability to ecological disasters and suffer together the consequences of the deterioration of the global environment.

Nor can nations maintain strict ideological control over their citizens. Modern technology makes the free circulation of ideas and information virtually unstoppable.

Nor can nations provide economic security unilaterally. The consequences of financial and economic shifts in one nation race around the world with blinding speed.

As a result, it is clear that security can only be achieved in common. All states must recognize the legitimacy of the national security imperative of every other nation and, on this basis, work cooperatively to reduce tensions, resolve disputes and reduce armaments. All states are dependent in part upon the restraint of other nations. Force should not be used except for individual or collective self-defense. Nations should observe more strictly their existing commitments to resolve conflicts by peaceful means.

In the interest of self-preservation, restraint in the exercise of force and in the accumulation of armaments should be the watchword.

The commission's first report was published in

1982. It elaborated on the concept of common security and spelled out its implications for then current problems of U.S.-Soviet arms negotiations, security in Europe, the resolution of regional conflicts in the Third World and the strengthening of international institutions.

It received a mixed reception at first. But when the new Soviet leader, Mikhail Gorbachev, espoused the need for "new thinking" on both domestic and foreign policies in 1985, a breakthrough occurred. Having studied the Palme Commission report, Mr. Gorbachev embraced both the concept of "common security" and many of the commission's proposals.

In November 1985, Mr. Gorbachev and President Ronald Reagan met in Geneva for the first time. Among other things, in their joint communiqué, they "agreed that a nuclear war cannot be won and must never be fought" — words taken virtually verbatim from the commission's report.

The Palme Commission gathered in Stockholm for a final meeting a few weeks ago. We remembered our slain chairman and other departed members affectionately, reviewed world events over the seven years since our report had been issued and noted not only our satisfaction with the flowering of the simple idea we tried to launch, but, more importantly, the potential the idea holds for future developments.

Mr. Vance was secretary of state in the Carter administration. Mr. Leonard was a consultant to the Palme Commission. They contributed this comment to The New York Times.

Uncharted Terrain: Dismantling Communist Rule

By Andrew Nagoraki

WASHINGTON — In the current rush toward political reforms in the Soviet Union and Eastern Europe, something distinctly odd is happening. In a series of startling role reversals, tiny Soviet nationalists are throwing caution to the wind and adopting maximalist programs, while Poles are accepting compromises and warning that the day of full national liberation is hardly at hand.

The old stereotypes of the passive, sullen Soviet masses and romantic Poles shatter upon contact. Trivine Velliste, the president of the Estonian Heritage Society, explains that after independence his Baltic nation might consider membership in the Warsaw Pact — but only on a temporary basis. Before a visitor can ask him to slow down, he is weighing the negotiating position of a newly independent Estonia vis-à-vis a diminished Soviet Union.

Across the Baltic at the Polish town of Sopot, Adam Michnik, the chief theoretician and essayist of Solidarity, ponders the "surrealism" of his current situation. A year ago, he had been dropping periodically out of sight to avoid successive police roundups of Solidarity activists. Now, Mr. Michnik has rushed off to campaign for a seat in the new parliament and to edit the new Solidarity newspaper, the first legal opposition daily in the Soviet bloc.

But neither the legalization of Solidarity nor the prospect of partially free elections in June has eliminated the distrust that most Poles feel toward their rulers and their skepticism about the chances that the system can be quickly transformed. A hard-edged realism pervades most discussions. At the least, the Poles are bemused by what they perceive as grossly premature celebrations in the West of the end of the Cold War and their imminent liberation.

What accounts for this contrast in moods is recent history. In the Baltic republics, glasnost and perestroika have spawned the first broad-based nationalist movements since Soviet troops hunted down the resistance groups that kept fighting the occupiers of their countries at the end of World War II. Buoyed by the enthusiasm they have generated, the newly created "popular fronts" are demanding the creation of indepen-

dent, neutral states. The conviction is taking hold that the Soviet empire is crumbling, turning once impossible dreams into attainable political goals. But the Poles are not experiencing liberalization for the first time. Solidarity was legalized once before, in August 1980, and then brutally crushed with the imposition of martial law in December 1981. Burned as they were by this experience, the Poles are loath to proclaim the most recent turnaround as irreversible or to treat Communist promises of free elections in four years as trustworthy.

The euphoria of the Baltic activists, they point out, is reminiscent of their own overly optimistic mood in 1981. Poles do recognize that Mikhail Gorbachev's policies have given them new maneuvering room. They concede that the Soviet leader must realize that if he responds to a crisis in Eastern Europe by sending in the tanks, perestroika both within the Soviet Union and in Eastern Europe will self-destruct. But they are by no means convinced that the Brezhnev doctrine — the rationale for the 1968 Soviet invasion of Czechoslovakia — is dead, although it would be invoked only in a more extreme scenario.

Polish skepticism can also be traced to less dramatic concerns. More experienced in the reform game than their Baltic counterparts, Polish activists are no longer exhilarated by mere denunciations of a system that they wrote off as an ideological, political and economic failure long before glasnost. They are grappling with major practical obstacles to an overhaul of the current system.

First, how do you make the transition from a command economy to a free market economy? The tinkering to date has generated an inflation rate that is likely to break through the 100 percent mark this year, declining living standards and no relief from shortages of everything from soap and gasoline to housing. The average waiting time for an apartment is anywhere from 20 to 30 years. Little wonder that a social explosion is still deemed possible, despite the new mood of political compromise.

Second, how will the opposition keep the pressure on the Communist ruling class to give up more power? The current elections allow Solidarity to contest 35 percent of the seats in the lower house of parliament and all the seats of a weak Senate, ensuring continued Communist control for the next term. But as Solidarity activists take up official positions, they are likely to split into several opposition parties reflecting their divergent views. Can they then maintain the momentum for change?

This is all uncharted territory. No one has yet discovered how to dismantle totalitarian Communist structures and replace them with representative governments and market economies. But the differing attitudes in the Baltic republics and Poland may prove to be the right mix at the right time. The Soviet Union still needs a strong dose of rising expectations to mobilize the forces for change, while Poland needs to summon every bit of political realism as it proceeds with an experiment that offers no guarantee of success.

The writer is a senior associate of the Carnegie Endowment for International Peace. He contributed this comment to The Washington Post.

Yes, 'the Reasonable Middle Ground'

By Stephen S. Rosenfeld

WASHINGTON — Secretary of State James Baker has made of Israel's peace plan an Israeli-American plan, conceivably also an Israeli-American-Palestinian plan, and has measurably improved — although far from ensured — the prospect of a Middle East settlement.

The original Israeli plan was an important advance. It embraced a principle and a process, democratic elections, whose application in the West Bank promised a major challenge to the Likud government's purposes, and it marked the furthest Israel has yet gone toward negotiating with Palestinians.

But the plan had a severe defect. Fashioned by an Israeli government that is divided on whether to exchange territory for peace, the plan altogether avoided that fundamental issue. The omission rendered the plan untenable by most Palestinians, whose first interest is precisely to win territory.

This is the gap which Secretary Baker moved to fill with his insistence that Israel abandon "the unrealistic vision of a greater Israel," "forevermore annexation" and stop "settlement activity."

The Israeli government was furious, claiming that Washington had stolen some of its major bargaining cards, since no Palestinian is going to ask for less, for openness, than what the Americans have said they are going to support.

The unpalatable alternative, however, was to allow Israel to stick in a position that amounts to a rejection of territorial compromise, that likely would have found few Palestinian takers and that would have sentenced the indirect negotiation that Israel and the PLO have begun through the United States to a bleak fade-out.

Meanwhile, the United States, by making this assertion on the territorial issue, puts new force behind its demands to the PLO to abandon terrorism, turn to dialogue, amend the PLO covenant, accept less than a full state and "reach out to Israelis and convince them of your peaceful intentions."

This is how Israel finds its lone patron forcing the very issue — territory for peace — that the Israelis had tried to smother in appeals for elections, for international company on the road to peace and for slow, deliberate preparations for Israeli-Palestinian-Jordanian talks.

The Israeli government claims, with justice, that the American move exposes it to hard Palestinian negotiating demands and to a withering Israeli cross fire between elements on either side of Prime Minister Yitzhak Shamir, who perches strategically on Israel's political fault line. The implicit threat of political gridlock and collapse gives the explicit threat of official challenge as a weapon in Israel's political strategy.

Mobilizing Israel's American supporters is another available tool. So it is possible to predict a political closing that will strand American diplomacy and return control of events to the sort of Israelis and Palestinians who expect no good and no change of each other and who are prepared to submit their mutual fate to a test of wills. It has happened before.

To head this off, the Bush administration must be prepared to invest diplomatic energy and political standing in a tenacious engagement with these difficult issues.

Being in his first year, George Bush is little vulnerable to electoral pressures. He has several advantages: the dialogue with the PLO begun by his predecessor, the more positive attitude being shown by the Kremlin, the support of Arab moderates led by Egypt, and the relative preoccupation (in Lebanon, by Iraq) of the leading spoiler, Syria.

It is important that Mr. Baker, while denying that the United States intends to dictate a solution, has seized on what he accurately calls "the reasonable middle ground." It offers Israel "ample protection" for security and the Palestinians "ample scope" for political rights. This is more than deal-maker Baker's splitting of the difference. It goes to the considerations which the parties most devoutly desire and in pursuit of which they are both supported by right-thinking people everywhere.

Neither Palestinians nor Israelis, of course, are inclined to put much confidence in the ministrations of "right-thinking people." Both cherish a myth of being able to control their own destiny. Still, the Palestinian intifada and the Israeli reaction to it have created a new international setting, as well as a new Palestinian-Israeli setting, for an approach to a settlement. This is the opportunity.

The New York Times

The Men Need to Be Informed

By David S. Broder

LONDON — Dr. Nafis Sadik, a Pakistani physician is a dynamo. After years of working with women and children in underdeveloped countries of Asia, Africa and Latin America, Dr. Sadik has become the head of the United Nations Fund for Population Activities, or UNFPA.

She came through London the other day to deliver its annual report, devoted at her insistence to the women's role in the world. The millions like her, "long overlooked, dismissed and even marginalized by planners and decision makers," she said, "women are the key not only to patterns of future population growth but also to the goal of sustainable development."

When women achieve control over their fertility, social and economic self-determination follows. What would move the first lady are not the economic analyses but the human stories Dr. Sadik tells — of her own experiences in trying to save some of the half-million women who die in childbirth each year, in large part because they lack help in planning their families and must care for themselves during pregnancy and at birth. Or the 10 million infants who die each year before their first birthday, victims of malnutrition, disease and neglect.

The United States spends more than \$120 million a year supporting family planning and maternal care in specific countries. But since 1985 it has cut off help to Dr. Sadik's organization, which is the main worldwide coordinating agency for such assistance. Although the consequences were felt mainly by women, the decisions were made by men. In the mid-1980s the Reagan administration ended such assistance on the ground that the UNFPA gave tacit support to the Chinese government's policy of forced abortion as a means of population control.

The UNFPA has always denied that it subsidizes coercive programs. In 1984 and 1985, when the issue first surfaced, M. Peter McPherson, director of the U.S. Agency for International Development, concluded that there was "no evidence of UNFPA intentionally or actually promoting or supporting abortion in any country."

The battle then shifted to Congress. Anti-abortion forces attached language to an appropriations bill setting tighter restrictions but still leaving the administration some discretion. Under heavy pressure from Congress and the White House, Mr. McPherson then cut off aid to the UNFPA.

Dr. Sadik argues that the China issue was simply "an excuse" the Reagan administration used to satisfy domestic political pressures. She is not alone in that view. In a recent House Appropriations Committee hearing, Representative John Edward Porter, Republican of Illinois, told Secretary of State James Baker that he agreed with the principle of opposing coercive abortion. But he added: "My concern has always been that... we've cut off our voluntary family planning funding to 130 other countries that don't have and never have been alleged to have coercive policies at all."

Mr. Baker replied that if it were true that UNFPA programs in China are limited to providing modern contraception and maternal and child care services, "it certainly deserves review." But Mr. Porter is not optimistic. "There's so much emotion about that one country's policies," he said, "that neither Congress nor the administration can see the larger question."

But the issue will not go away. Dr. Halden Mahler, who recently retired after 15 years as director-general of the World Health Organization to take up similar responsibilities with the International Planned Parenthood Federation, said that "ways must be found to re-involve the United States in the dialogue" about world population problems and the role of family planning. "We need your country's moral and political leadership even more than we need your money."

Japan has stepped in as the largest UNFPA contributor, and last year the Soviet Union helped fill the vacuum with its first contribution. But the agency's budget is grossly inadequate.

It is women and their infants who pay the price. Literacy rates for women are 20 percent lower than for men in many Third World countries. Infant mortality rates are suspiciously higher — reflecting a predisposition in many lands and faiths to value daughters less than sons.

At both the national and the family level, Dr. Sadik remarked, "we must change the attitudes of decision makers. And most of them are men."

That is something Barbara Bush certainly understands.

The Washington Post.

100, 75 AND 50 YEARS AGO

1889: Serbia Clampdown

BUDA PESTH — Martial law has been declared in Belgrade, and order restored; but new troubles are anticipated, for which the arrival of the Metropolitan Michel will be the signal. The Serbian press is outspoken in its demands that Queen Nathalie return and that King Milan be banished.

1914: Unified Holidays?

LIEGE — A preliminary conference of the delegates to the congress for the Reform of the Calendar was held recently in Liege. The objects of the conference are to adopt a system for the unification of the methods of measuring time, and to bring about the adoption of the same dates for public holidays throughout the world. It is thought that the latter reform would prove most beneficial, as the variety in the dates of public holidays has been found a great hindrance to international intercourse. The contemplated reforms would en-

tail extraordinary changes in national habits and the sacrificing of old-established religious traditions, as much as it would abolish the Gregorian calendar, the Julian calendar, and the Jewish and Mohammedan methods of dividing the year.

1939: Tribute to the Dead

NEW YORK — Millions from the Atlantic to the Pacific today (May 30) paid tribute to the nation's dead, including those who fell in the three years fought by America in the life span of Americans now living. Thirteen federal Civil War veterans — two of them clad in Confederate gray — led 26,000 troops and veterans of the Spanish-American and World Wars along Riverside Drive, New York City's biggest Memorial Day manifestation. The day was marked by the first appearance in history of a Southerner as Memorial Day speaker at Gettysburg, where the Confederate Army under Lee surrendered back July 3, 1863, in a decisive Civil War defeat.

OPINION

The Unknown Soldiers of Glasnost

By A. M. Rosenthal

NEW YORK — It is time now to talk about men and women whose names and faces are shaping great events but whose names and faces are hardly ever mentioned.

It is important not simply for their sake or to honor the memories of those who died in prison or in exile. It is essential to understanding the intellectual and political upheaval taking place in the Soviet Union and Eastern Europe.

Now is the time when Americans and Europeans are hugging themselves with delight at the wonder of Soviet citizens marching right up to the rostrum last

week and attacking Soviet Communism about their personal lives, their political records, even their right to rule over them.

Mikhail Gorbachev was astonished. Give and take, yes, debate, yes — they would be good for Mr. Gorbachev and his goals. But this — this impudence from ingrates — was this the reward for all he had done?

ON MY MIND

Mr. Gorbachev and his wife responded as they usually do, moving forward to meet the challenge and turn it to their political advantage. They both have what American politicians pay advisers millions of dollars to teach them. The politicians never get their money's worth because what the Gorbachevs have can't be taught — rhythm, finger-snapping political rhythm.

By the time the meeting of the Congress of People's Deputies was over, Mr. Gorbachev showed that he had more than rhythm — he had his political apparatus. Insurgents giddy with dreams of the future found themselves staring at a bit of the past. The apparatus rolled over them, and they found themselves outside looking in — without seats in the new legislature.

But the insurgents and the world

knew that the apparatus would be challenged more. They would shout and fight again to get in.

So throughout the world, due honor is paid to them for their zest and courage. And due honor is paid to Mr. Gorbachev for having the genius to understand that only by making the Soviet system flexible enough to allow some challenge — even if he decides to put it down — could the Soviet system be saved at all.

Fine, but have we no need for the names and the stories of the thousands of Soviet citizens who dissented when dissent was rewarded not with candidacies and appearances on television but with arrest and years in the cells of the political prisons?

Their names and stories are the great reality beneath everything we read and see about the Gorbachev era. Their years of struggle and pain kept the hope of freedom alive in the Soviet Union and thus were a gift to all the Soviet people, including Mr. and Mrs. Gorbachev.

The dissident movement, decade after decade, prison after prison, created vivid awareness of Soviet Communist tyranny, without which Mr. Gorbachev, a product of the system, could never have moved for change.

And even more important is this: Most of the dissidents, in exile or at home, are not satisfied, not grateful. They continue to struggle and will until freedom is full.

Some of them were in the hall last week, mostly unnoticed by the world. But many others were in their apartments, planning together or working on newsletters about repression, still taking place, new legal provisions still threatening prison, political prisoners still unfree, reforms still pressing. Others were in exile. But each took with him a funda-

mental achievement in the battle for human rights in the Soviet Union, in which they are still participants.

Vladimir Bukovsky focused attention on psychiatric tortures. Alexander Ginzburg helped found the underground press. Natan Sharansky linked Jewish emigration to human rights. Titi Madisson fought for the Estonian independence movement now surging. Alexander Solzhenitsyn taught the world what gulag meant. Each name stands for thousands.

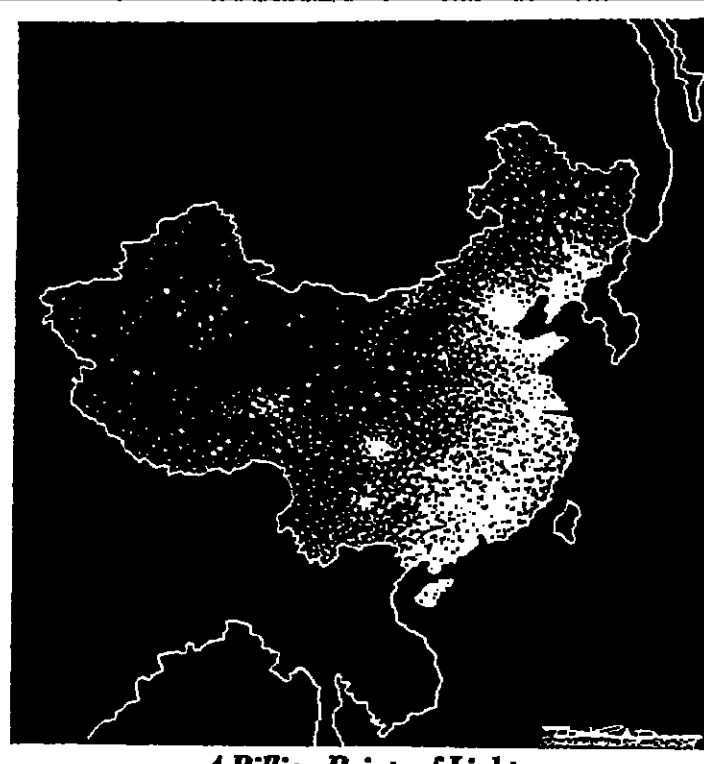
Even more died fighting. The writer Anatoli Marchenko died in prison during the Gorbachev era. Petro Grigorenko was a general of the Red Army and of human rights; he died in exile. Each name stands for thousands.

On my desk is a looseleaf book of names of people still struggling in the Soviet Union, some of them still imprisoned. Every worthwhile human rights group has such lists, longer.

The achievements of these people, and those of the exiles and the fighters who died, have helped bring changes that enrich the world. But they are not a part of the past, heroes in a struggle now to be memorialized.

They are all part of the present. They are part of that sudden exhilarating political uprising in the Kremlin meeting hall — and of the next one.

The New York Times.



A Billion Points of Light

LETTERS TO THE EDITOR

If Palestine Is to Work

In response to "Make a Community Along the Jordan" (Opinion, May 27):

Abba Eban writes that a Palestinian state in a loose federation along the Jordan might have citizens compensated by the fact that they would be saved from total weakness by using their economic and human links with Israel and Jordan.

The Israeli defense minister, Yitzhak Rabin, has been quoted by the Jerusalem Post as saying that no industry could be set up on the West Bank if such an arrangement were to be in direct competition with a comparable Israeli enterprise.

When such a stance is linked with reports of long-standing restrictions on West Bank irrigation for profitable agriculture, and stumbling blocks erected by Jordan as well as Israel in the way of successful West Bank exports, there can be only one conclusion: that neither country sincerely wishes to help lay the foundations for a healthy Palestinian commercial and industrial infrastructure. Such a viable economic base is a prerequisite for any Palestinian autonomy.

DAVID BROWN, London.

Victims of the Intifada

Yes, prominently publish the names and the ages of the children killed in the West Bank and Gaza, as Izet Serdar suggests (Letters, May 18). And create "Intifada Parks," as Mr. Serdar also

suggests, with a tree dedicated to each child, not only in Muslim countries but throughout the world. But each tree should also bear a plaque with the names of the adults who put the child out front to bear the uprising's dangers. And above all the names should be inscribed that of Yasser Arafat.

Daoud Kuttab's "A Profile of Stone-throwers" (Journal of Palestine Studies, Spring 1988) details the intifada's use of children. Mr. Kuttab is a Palestinian journalist. He writes: "The youngest category of children involved in demonstrations is the 7 to 10 age group. Most of the time these children can be seen rolling tires to the middle of the road, pouring gasoline on them and then setting them afire. . . . Since these children are under the legal age, their capture does not lead to a prison term. At worst they may be slapped around a bit and then released."

Mr. Kuttab says their activity is "one of the most important for the success of a particular stone-throwing incident."

The intifada uses children in violent demonstrations and riots. As Jordanian television news reveals, no effort is made to get them out of the way when the action heats up.

The intifada will nurture this child martyr process so long as it produces anti-Israel anguish. Those whose concern is for the children should therefore put the blame where it belongs: on the intifada that puts them in danger.

ANNE G. KANTOR, Silver Spring, Maryland.

Adults who send children into battle have nothing to be proud of. This is an abomination.

EDDY van der VEEN, Puyricard, France.

One is reminded of what the first prime minister of Israel, Golda Meir, said after Israel was attacked in 1948: "We may some day forgive you for killing our children, but we will never forgive you for making us kill your children."

HAROLD P. SMITH, Locarno, Switzerland.

Children and the Court

Your reporting on the state of American children makes for sad reading. Recent articles have stated that the United States has an infant mortality rate greater than nearly every Western European country ("So That More May Live," Opinion, April 21), as well as the highest child poverty rate of any industrialized country ("Why the Rich Get Richer and the Poor Get Poorer" by Leonard Silk, Economic Scene, May 13).

It is hard for me to believe that the U.S. Supreme Court may make abortion illegal this summer, given the lack of political will to aid needy children and those who care for them — usually single mothers. I pray that the court will leave women this last chance to plan for their family's and their own well-being.

ALLISON HICKS, Rome.

Ignore the Hard Questions With Feel-Good Therapy

By Charles Krauthammer

WASHINGTON — Ever since I wrote a while ago saying that self-love and assertions of self-esteem are no cure for the pathologies of the inner city, my mailman has been busy. Not since I last wrote about animal rights has he been so busy. Reader reaction has been instructive.

The most extraordinary communication was from Mike Schmoker of Tucson, Arizona, who enclosed an article he had written last year for The Arizona Daily Star. With varying degrees of amazement and dismay, Mr. Schmoker

I don't want to give the impression that my mail was all Schmoker. For every two or three readers who thought me right on, there was one who thought my attack on self-esteem ignorant and unfeeling; ignorant of the principles of the human potential movement and without feeling for the New Age sensibilities that underlie it and that, properly implemented, are the cure for our ills. "Our ignorance of self is so great," writes one typical and articulate dissenter from Texas, "that we look for self-love in all the wrong places. We look to our mothers, or our churches, or the schools, or the government or our jobs. No one or nothing outside of us, however, can 'make' us feel better about ourselves." The answer? We must "take full responsibility for ourselves."

MEANWHILE

has been watching the rise of the self-esteem movement, as we might call it, in the world of education. And watching from close hand. He is in charge of elementary school libraries for Tucson.

In the educational world, he writes, the power of the word self-esteem "is almost incalculable — every education in education takes a bow in its direction." He pinpoints what is wrong with the way the word is being offered to students: "Self-esteem has been sentimentalized. It is less a thing to be slowly earned than quickly and easily given, not something wrought, but spontaneously realized. The emphasis, where this word is used, is more on creating good feelings than on connecting self-esteem to achievement."

Connecting self-esteem to achievement: That is exactly the point. Self-esteem is not something you learn, but something you earn. According to self-esteem pop psychology, however, you get it if you shout it. "There's something sadly comical," writes Mr. Schmoker, "about whole auditoriums full of students being told, indiscriminately, to feel good about themselves, to stand up (I've seen this) and give testimonials on how much they like themselves."

Real self-esteem does not come from what you are but from what you do. It comes not from reciting "I am somebody" but from having done something: learning a skill, mastering a discipline, doing a job, in short, making something of and in and for the world. There is no glory in flipping hamburgers, but there is self-respect in holding a job. Any kid who has had a job knows that getting behind a counter, passing the sign that says "authorized personnel only," gives you the feeling that you may really, after all, be somebody.

Instead of encouraging achievement to bolster self-esteem, the fixation on self-esteem is being allowed to undermine real achievement. As Mr. Schmoker observes, one of the reasons for grade inflation is that teachers are reluctant to fail students for fear that it will injure their self-esteem. The unearned self-esteem thus bestowed merely sets them up for harder falls later on.

The clothes and assumptions of the self-love industry was designed to serve and exploit the insecurities of an anxious middle class. It is the outgrowth of EST and other highly lucrative "risks" attempts to commercialize narcissism. Before then, recreational psychiatry, such as psychoanalysis, had been for the rich. The human potential movement was designed for the less well-heeled. It was recreational psychiatry for the mall-goer.

The clothes and assumptions of that school have now trickled down to the underclass and those who serve them. I find this tragic because it is a clear and cruel dead end. It gives false hope to people in real misery. I have no doubt the self-love nonsense is sincerely believed. But that is what makes it so heartbreaking. It is not a hoax but a hallucination.

What to do? Let the educator propose. Don't give kids a false, merely rhetorical sense of self-esteem, Mr. Schmoker concludes. Instead, "teach them in an atmosphere of compassion . . . that self-respect is earned, often with great difficulty, and equip them to earn it."

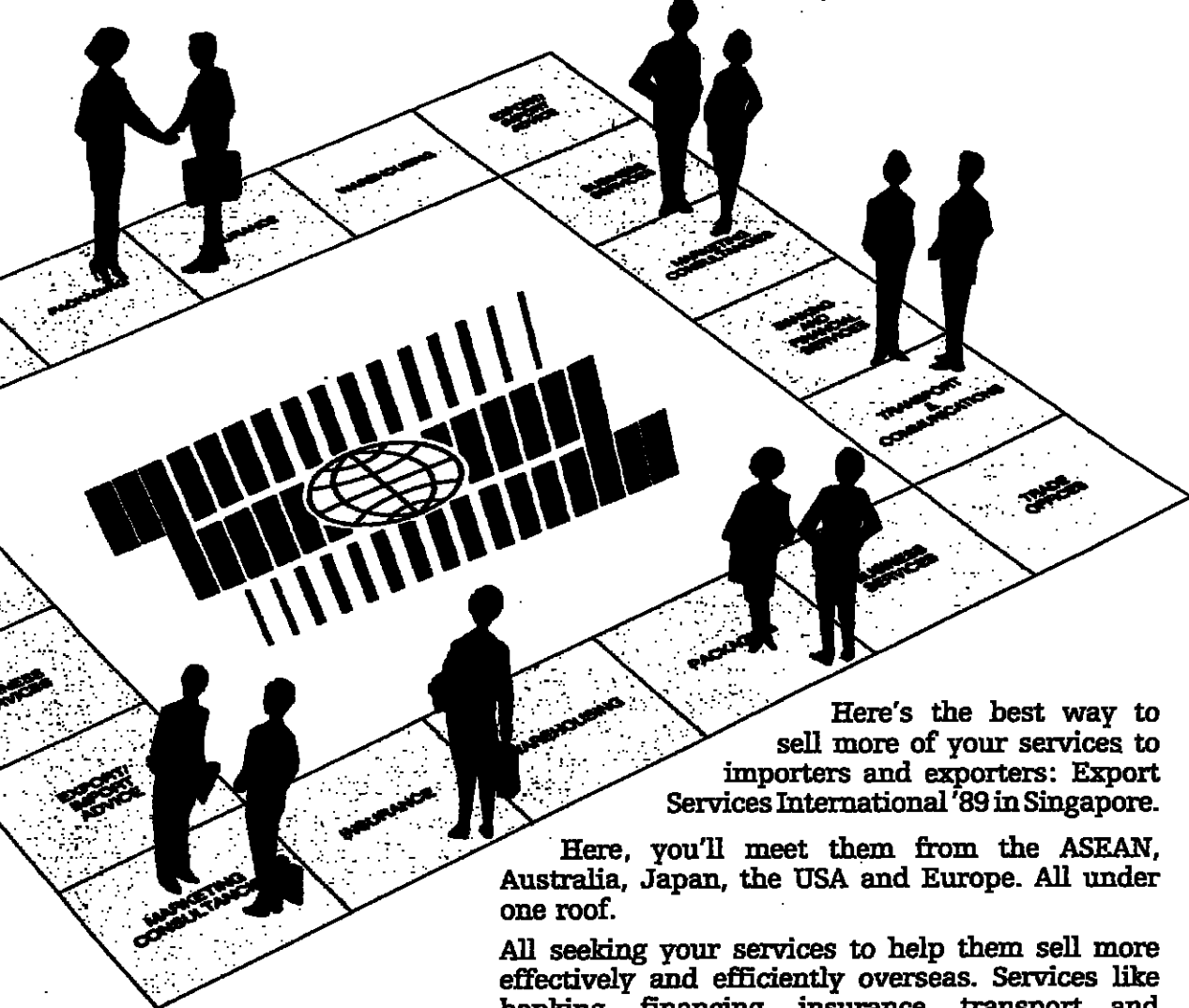
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31-5-89

Poland Accuses U.S. of Election Meddling

By John Tagliabue

WARSAW — Poland has accused Western governments, and specifically the United States, of massive interference in the campaign leading up to the national elections next Sunday.

In a statement read on national television late Monday, and published by the official press agency and principal papers on Tuesday, the government accused the United States of waging a one-sided campaign in favor of the Solidarity-based opposition via Radio Free Europe, and it said U.S. Embassy officials in Warsaw were actively involved in Solidarity's campaign.

The statement, in which the gov-

ernment lamented what it called "distressing signs of Poland's sovereignty being violated," accused unidentified Western diplomats of "not limiting themselves to expressing their political sympathies, this being a private affair," and said that they had actively participated "in various meetings and events staged by the opposition."

When asked whether U.S. diplomats were meant, the government's spokesman, Zbyslaw Ryzkowski, replied: "It is true that we spoke about representatives of the embassy of the United States. I hope that those representatives will draw conclusions and not do it again."

Mr. Ryzkowski said he hoped the incidents would not affect unfavor-

ably the visit by President George Bush to Poland, expected in July.

The U.S. Embassy denied that any of its personnel were engaged in pro-Solidarity activity. In a statement Tuesday, the embassy said its diplomats, "in keeping with standard diplomatic procedures, are responsible for keeping abreast of important developments in Poland, including the elections."

It went on: "However, the embassy emphatically denies that any of its personnel have engaged in improper activities or that they have actively supported one group or one candidate over any others."

The government's statement said funds were being collected publicly for Solidarity "in the United States

and some Western countries," and accused the U.S. administration of putting at the disposal of "one of the sides in the election, only the opposition," Radio Free Europe, the congressionally funded station, based in Munich, that broadcasts to Eastern Europe.

Solidarity was not asked whether it would like to reply on television to the statement, which was broadcast nationwide to millions of Poles by government television.

The impression that the statement was part of a high-level campaign to rattle Solidarity seemed to be confirmed by the simultaneous appearance in official papers of an open letter from the Communist-dominated War Veterans Association protesting against foreign money flowing into Poland to support Solidarity's campaign.

In addition, there was a stinging attack in the party daily, Trybuna Ludu, on Zbigniew Brzezinski, the Polish-born former U.S. national security adviser, whom it accused of appearing "as a political agitator for the benefit of one of the groups of candidates."

For its part, Solidarity accused the government of twisting the facts, and said it had the right to use funds gathered by private persons living outside Poland, most of them Poles.

"The authors of that statement are well aware of all the facts," the union's national spokesman, Janusz Onyszkiewicz, said in a statement released in Warsaw, "but they are not interested in the truth, only in anti-Solidarity propaganda."

Quiet Man in Gorbachev's Shadow Is Thrust Into Glare of Public Life

By Francis X. Clines

NEW YORK TIMES SERVICE
MOSCOW — Anatoli I. Lukyanov was his nondescript, nearly bashful self as he was summoned into the limelight by sharp-tongued critics demanding that he explain his role as Mikhail S. Gorbachev's indispensable cipher.

Mr. Gorbachev, the new national president, wanted, and finally got, approval for Mr. Lukyanov from the Congress of People's Deputies as his vice president. The post is new, with unusual scope for a nation so steeped in authoritarian politics, a formally recognized stand-in for the nation's tireless champion.

Three years ago, Mr. Lukyanov, master of the Kremlin's legal code and paper flow, was rarely photographed in the hierarchy, closely did he stay in Mr. Gorbachev's shadow.

But on Monday, his career history, a subject of some vagueness among many of the deputies, was vetted by critics who questioned whether he played an active role in Soviet repression in Eastern Europe 20 years ago, and whether he has quashed recent inquiries into government corruption.

Mr. Lukyanov, a 59-year-old lawyer with old-school ties to the president, is one of the many party loyalists in the debating hall who are obviously not at ease in the new political world of television celebrity.

His ascension to the post of first

deputy chairman of the Presidium was voted by an overwhelming show of hands. As he survived the rugged give-and-take on national television, Mr. Lukyanov offered a bare, brief smile of triumph and returned to Mr. Gorbachev's side.

There, as never before, he is now a figure of considerable public power, the man who will succeed Mr. Gorbachev temporarily in the event of death, and, more immediately, will serve as a reliable, philosophically consistent "first mate," as one proponent put it, during the president's absences.

The latter was a major selling point in the endorsements offered by one respected independent voice in the congress, Roy A. Medvedev, the dissident historian. He noted the political confusion and rumors of reactionary intrigue that occurred during Mr. Gorbachev's recent absences.

"Strange things started happening in our ideology," Mr. Medvedev declared, pleased that Mr. Lukyanov's strength as the methodical factotum and alter ego at the side of Mr. Gorbachev for the past 35 years was being formally institutionalized.

"We need a deputy who will keep the boat on the same course, instead of veering from one side to the other," Mr. Medvedev said as the congress applauded and the gray-haired Mr. Lukyanov listened, showing no emotion.

The president first met the vice president when they were law students at Moscow State University 35 years ago. The campus was a taproot experience for Mr. Gorbachev, who stayed close to various college associates across the years in the tricky art of party careerism.

Few were closer than Mr. Lukyanov, the sort of stalwart who was praised in the congress debate for not having taken a vacation since Mr. Gorbachev solidified his power as national leader. This may be a tribute to his wariness as much as his work habits, for Mr. Lukyanov's basic specialty, through a series of critical backstage positions with both party and government, has been as chief counsel and chief of staff to Mr. Gorbachev.

On Monday, he said he had done some legal work in the East European troubles in Poland, Hungary and Czechoslovakia. It was minor, he said in his prosaic monotone, of the sort that "had no relation to any specific events."

He attended similarly to an allegation that he attempted a "cover-up" of government corruption inquiries. He denied this, saying he had played a key role in legal reform directed against official bribery.

On this subject, he revealed personal annoyance at the evolving freer ways of political charge and countercharge, complaining of the "not-always-objective press coverage" of allegations and of the "defamation of lawyers" by critics.

But as ever, Mr. Gorbachev stood in his corner. In this case he had wondered aloud whether Mr. Lukyanov, whom he well knows to be no firebrand orator, might want to plan his rebuttal overnight.

No, said the loyal Mr. Lukyanov, who stood and took the rostrum unflinchingly. Soon, the lawyer moved in colorless detail through his notes, daring a few chopping hand motions for emphasis as the nation watched.

"Is that it with the questions?" Mr. Gorbachev finally asked the congress, beaming like a big brother. "So that's it, comrades. We have quite thoroughly considered the issue," the president said as Mr. Lukyanov returned to his side.

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Refugees Report Bulgarian Moves On Ethnic Turks

Washington Post Service

ISTANBUL — Nearly 200 ethnic Turks expelled from Bulgaria in the last week have brought with them fresh testimony of violent clashes between Bulgarian troops and members of the country's large Turkish minority who are resisting forcible cultural assimilation.

Bulgarian authorities have acknowledged that six Turks have died in protest marches, hunger strikes and other displays of civil disobedience in northeastern and southern Bulgaria. Other sources, including Amnesty International, have estimated the number at closer to 100.

The assimilation drive, under which the Sofia government ordered Turkish names changed to Slavic forms and banned use of Turkish dress and language among the country's 900,000 ethnic Turks — about 10 percent of the population — was begun in 1984 and declared officially completed the same year.

■ **Ozal Calls for Talks**
Prime Minister Turgut Ozal of Turkey called Tuesday in Brussels for negotiations with Bulgaria on an agreement that would allow ethnic Turks to go to Turkey. The Associated Press reported in Ankara.

OPEC: Saudi Propose

Continued from p. 1
The OPEC oil cartel's strength and problems were discussed in a session of the group's annual meeting in Geneva.

Saudi Arabia is a major oil producer and has been a leading voice in the cartel's efforts to coordinate oil production and prices.

The Saudi government has been a strong supporter of the cartel's efforts to maintain oil prices at a level that would allow it to pay its debts.

A number of high oil prices have been paid in recent years, and the Saudi government has been a strong supporter of the cartel's efforts to maintain these prices.

The Saudi government has been a strong supporter of the cartel's efforts to maintain oil prices at a level that would allow it to pay its debts.

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ARTS / LEISURE

López Cobos Takes Berlin 'Ring' to U.S.

By Michael Field

PARIS — Jesús López Cobos, who will conduct the Deutsche Oper of West Berlin in the first Washington performance of the complete cycle of Wagner's "Der Ring des Nibelungen" next month at the Kennedy Center, combines Spanish warmth and alertness with an outwardly relaxed acceptance of his multiple workload.

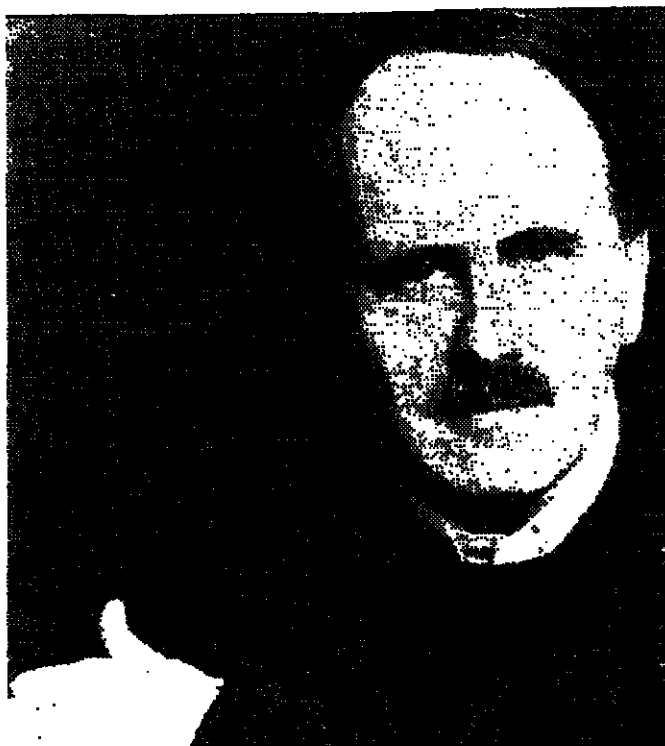
During his 19 years in Berlin, he has conducted more than 50 operas, practically the entire repertoire of the company. He is also musical director of the Cincinnati Symphony Orchestra and of the Orquesta Nacional de España. He is 49.

The Washington presentation, which celebrates the 40th anniversary of the founding of the German Federal Republic, opens Wednesday with a performance of Beethoven's Ninth Symphony in which the Berlin orchestra will be joined by the University of Maryland Chorus.

During an interview in Paris, where he conducted the Orquesta Nacional, López Cobos, who is a Madrid graduate in philosophy and music, explained his unusual double major. His native Castilian is tinged slightly with the Andalusian of his formative years in Málaga.

"I followed the two paths because I realized how difficult things were for musicians in Spain," he said. "Besides I didn't want to concentrate only on music and forget everything else." Refusal to specialize has been his hallmark as a conductor. Next year he will give his last Berlin "Ring" and leave the Deutsche Oper to take over the Lausanne chamber orchestra. "After so many years of opera, big ensembles and symphonic music, I think it's very important to get back to Mozart, Bach, Haydn, the chamber repertoire. I'm very happy about it."

In 1966 López Cobos went to



Jesús López Cobos: From the 'Ring' to the chamber repertoire.

Vienna for conducting lessons with Hans Swarowsky, who taught Claudio Abbado and Zubin Mehta. His first chance to show his mettle came in 1968.

"It's really a matter of — well, destiny. I'd won a couple of prizes at the competitions in Copenhagen and Besançon and things kind of grew out of that. I was assistant conductor at La Fenice, in Venice. Then one of those typical things happened. The conductor fell ill and I was asked to take over 'The Magic Flute.' That was my debut. As we say in Spanish, it was a matter of *schandale valor*, just braving it out and conducting. That's how I started."

"It's usually like that with conducting. However much we study, experience is the only school and

you can get it only in the professional world. There are hardly any amateur orchestras, only professional ones, and you just have to have the nerve to get up and conduct. For the young conductor it's a vicious circle: They don't give you a chance because you haven't had the experience and you can't get the experience if you don't have a chance."

It was something of an accident that López Cobos landed in the opera world, which is "twice as complicated as conducting concerts. Experience counts even more. In opera we're always looking for conductors. Many don't want to do it because it's more difficult and you have less prominence. I fitted in because I had experience with choirs."

As a small boy, López Cobos used to go every weekend to hear the cathedral choir in Málaga, with his father, a post office official and, like his mother, a music lover and confirmed Wagnerite. "It was easy for me to accompany the singers so I quickly found my feet, especially when I went to Germany. I am pleased I did it, because opera is the best training for a conductor."

He said he had "the luck" to arrive in Berlin at "an ideal moment," 1972, when the Deutsche Oper had decided not to appoint a permanent replacement for Lotte Maazel and was looking for new, young conductors. "For me this was a magnificent opportunity." For the first few years he went through the repertoire, from the Italians to Mozart and Wagner. Then, in 1981, when the post of permanent conductor was restored, it went to him.

But now he is "a little tired" of opera, especially of his intensive timetable — in Berlin, 13 performances of such different operas as the "Ring," "Pelléas et Mélisande," "Faust," "Orfeo ed Euridice," all in three weeks.

Besides, López Cobos does not see himself just conducting opera, but also as an orchestral conductor who also does opera. Not that there has been friction between himself as musical director and Göttrich, Friedrich, *Intendant* of the Deutsche Oper and overall producer of the current "Ring." "I don't think in opera there should be just one person in charge of everything. It's better to have a team running things as we have in Berlin."

"The dominance of the stage production aspect is, I believe, the result of a reaction to the long period when the same conventional sets were used. Now, under the influence of cinema and television, the scenic aspect has tended to be given greater importance than the music. That's also a distortion. The ideal

situation is when the two sides merge and are given equal importance."

On fidelity to Wagner's original concept: "I think we've been faithful to it. Wagner probably wouldn't have done today what he did then. His greatness is that though he was working in his own day, his *Gesamtkunstwerk*, 'total work of art,' as he called it, has a symbolism, mythology and philosophy which makes it constantly contemporary, above ephemeral versions. But I also think he left room for all manner of interpretations which respect the essence if not necessarily the detail of the original."

On the other hand López Cobos thinks some of today's interpretations went too far. Turning the "Ring" into a criticism of 19th-century industrial society or of Nazism was, he thinks, an excessive reaction against the old Romantic approach.

López Cobos thinks that musically he brings two new qualities to the "Ring": The "monothematic" German approach is tempered with a flexibility springing from his familiarity with Italian and French opera and he stresses the overarching musical phrases that tie the work together. "When I am doing 'Rheingold' I am already thinking about 'Götterdämmerung,' seeking the work's inner unity," he says.

Cincinnati's "magnificent orchestra," the fifth oldest in the United States, will remain among López Cobos's commitments when he leaves Berlin next year.

"We are already collecting works too for the 100th anniversary of the Cincinnati orchestra in 1995. We plan to commission several works from new and established composers. That's something I do in Spain, too."

Michael Field, former Paris bureau chief of the Daily Telegraph of London, studied composition and was briefly a music critic.



"I mean, baby, there's a hole in the sky. Doesn't that worry anybody?"

The Crusade of Little Steven: Rocking for Earth's Health

By Mike Zwerin

PARIS — When Little Steven realized that his country's foreign policy was based on fighting communism he figured he ought to learn what communism is. So he read Karl Marx. "That turned out to be a big help, man," he says, "with what would be a chuckle if there wasn't so much weight on it. 'After that no political reading is boring.'"

So he's in shape for the alternative press, which he devours. Tedious or not, he considers them the only place to find anything close to the truth. There is a list of recommended alternative press publications on the sleeve of his new album, titled "Revolution" (BMG). Although rock's abuse of the words "freedom" and "revolution" takes the cake when it comes to boredom, Little Steven is one rare singer and songwriter who can still bring them to life with conviction, swing, provocative hooks and an exceptional ability to avoid cliché.

The revolution he's talking about "has nothing to do with one government or system replacing another. It's a revolution without leaders, without ideology and it cannot be co-opted. It is a matter of humankind looking in the mirror, individual by individual, and realizing that we are only one equal part on this planet. We are not superior to the tree because we can cut it down. Ours has become an alienation 19th-century philosophers could not even dream of. We are alienated from our own life-support systems."

Little Steven was known as Miami Steve Van Zandt for more than a decade with Bruce Springsteen. In 1982, he formed the Disciples of Soul, blue-eyed rhythm and blues with a back-beat at any price. Once he started to think about political action, combined with his definition of rock as "more motivation than entertainment," he was headed for trouble.

"Do you know any other rock artist working in global politics?" he asks, without waiting for an answer. "I don't fit in. People are going to have to get used to me." His lifting misty peak out from under his perpetual babushka is somewhere between a smirk and a scowl. He has the look of someone who gets things done, but not with the greatest of pleasure. He's the sort of person who thinks "something is wrong somewhere" because his records get released at all.

He produced the recording "Sun City," protesting apartheid and racism everywhere. The inclusion of Third World acts like Malcopts and Linton Kwesi Johnson reduced it to something less than a monster hit. And "Revolution" is only available in Europe; he will pass up a U.S. release, experience has shown it's not the worth the trouble. (He has his "dependable 300,000 customers" in Europe.)

There's never been a breakthrough album. He tries not to think about it, he does not want to try for one,

he's too artistically satisfied to give up global politics. But sooner or later he's "going to have to get a job. I mean, this is an expensive university."

He writes lines like "I am a revolutionary / Please define your terms" and "I was born in an outlaw nation" which he sings with a plea more than a moon, with restrained vigor rather than a drone. He's certainly not begging. He writes conceptually: "The theme comes first, then the subtheme and then they become songs. The work is to personalize it, make it a conversation. No rhetoric. To avoid polemic, that's the art."

It would be easy to consider Little Steven one more ineffective idealist, a leftover hippie spouting simplistic slogans without any knowledge of the complexity of the problem were it not for the fact that the mainstream press he mistrusts is beginning to read like Little Steven interviews.

The governing Dutch coalition recently became the first European government to fall over an environmental issue. Earlier this month, the columnist Flora Lewis wrote: "Bringing [environmental] issues, which once seemed exotic or futuristic, into the central debate... is the new task for responsible politicians." She quoted Senator Albert Gore, who called for "dynamic new strategies" that will require, she said, "not only sacrifice of wealth but of custom and old assumptions of what constitutes self-interest."

Little Steven says: "This revolution involves a fundamental change in the way we think." But he is "not into sacrifice. I don't believe we have to stop driving our cars or lose our jobs to get clean air. I don't believe government statistics about ecology meaning loss of jobs. You want some work? Let's switch our heating and our cars to solar energy and appropriate technology. Let's put some research into alternative energy sources. There's almost no land or water left that isn't poisoned. We're causing permanent damage to the atmosphere. I mean, baby, there's a hole in the sky. Doesn't that worry anybody? We can do what's needed by shifting priorities. When Kennedy said it was necessary to get to the moon, wasn't it amazing how fast we got to the moon?"

"But I don't try to communicate with the power structure. It's too late to get anywhere with them. They exist to get elected, that's all. If I tell them they have to cut all their ties with the oil and nuclear industries for the good of the people, they'll look at me like I'm from another planet. And maybe I am. It's called Earth. The one we're trying to save."

Little Steven on tour: Modena, Italy, May 31; Varese, June 1; Florence, June 2; Milan, June 3; Genoa, June 7; Paris (SOS Racism benefit), June 10; Rome, June 13; tour continues in Scandinavia, Switzerland, The Netherlands, France, Spain, Portugal and Eastern Europe through Sept. 2.

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A Storm of Talent in Hytner's 'Tempest'

By Sheridan Morley

LONDON — For the director on David Fielding's plain white oval setting, Hytner's simple and cerebral production leaves Wood center stage for most of the evening. This is not the usual old magician waiting to break his staff and bid farewell to all his magical powers but, instead, a younger and more turbulent figure, raging at his own exile and determined to wreak vengeance on the usurping Duke of Milan once he has managed to kidnap him by storm. But what Hytner's immensely strong team achieves is a totally fresh reading of a familiar text. Every line has clearly been rethought and reconsidered in rehearsal.

Not since John Gielgud, who last played the part at Stratford more than 30 years ago, have we had a Prospero with an entire orchestra in his voice, nor one so willing to use the full range of his music. But Wood also has a craggy athleticism that contrasts well with the courtly villains and a wonderfully comic double-act from Desmond Barri as a buggily helpless Trinculo and

of the classical players of his generation.

On David Fielding's plain white oval setting, Hytner's simple and cerebral production leaves Wood

THE LONDON STAGE

center stage for most of the evening. This is not the usual old magician waiting to break his staff and bid farewell to all his magical powers but, instead, a younger and more turbulent figure, raging at his own exile and determined to wreak vengeance on the usurping Duke of Milan once he has managed to kidnap him by storm. But what Hytner's immensely strong team achieves is a totally fresh reading of a familiar text. Every line has clearly been rethought and reconsidered in rehearsal.

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Campbell Morrison as a dour Scots Stephano.

In a good week for Royal Shakespeare Company transfers from Stratford, Ron Daniels's rare revival of Shakespeare's "The Taming of the Shrew" establishes the play as a kind of lower-class English "Misanthrope" through which the forthright Captain Manly blusters his way to a more open society, having dealt with corruption on all sides.

Written only a decade or so after the Restoration, this is one of its minor comedies but it does have the pre-Dickensian feel of an entire society under the social microscope. Rogues and fops and faithless mistresses are all here exposed at the last in their true colors before there can be any semblance of a happy ending.

David Calder has the thankless task of keeping our interest alive in a wan character, while around him such outrageous creations as the litigious widow (Marjorie Yates) and the manic punk-haired fop (Mark Hadfield) get the best of the laughs.

The opening production of this

year's international season at the National is "Tango Verso" by the Teatro del Sur, a Buenos Aires company whose main interests would seem to be ballet and mime.

Its founding director, Alberto Felix Alberto, has however devised an elaborate showcase about a middle-aged housewife who, inspired while at the ironing-board by tango music on her radio, fantasizes a turbulent romantic encounter for two dream figures before getting caught up in a pulp-fiction plot.

Short, sharp scenes suggest a cabaret rather than a coherent drama. There is a tremendous sense of style that allows the mix of illusion and reality to locate the evening on the borders of a dream.

In an almost wordless script, sentimental pop songs of the 1940s are used to hold the mood as the fantasized diva and her husband are confronted with the Polish immigrant who comes to bring marriage and a doomed romanticism to the housewife. By the end of the evening all four lives have crashed into each other with deadly results and we are left with a production rather too tantalizingly obscure to hold attention.

A Fresh 'Tale of Hoffmann' at Dresden Festival

By James Helme Sutcliffe

DRESDEN, East Germany — The 12th Dresden Music Festival opened with the world premiere of a fascinatingly persuasive new opera by Eckhard Mayer.

"Der goldene Topf" (The Golden Pot) was brilliantly staged by a huge cast drawn from the Semper Oper forces under the director Johannes Herx, making for two hours and 20 minutes of magical musical drama, its colorfully modern (but not breathtaking) score at the service of a many leveled, ingenious libretto by Ingo Zimmermann.

The opera is, in fact, a new "Tale of Hoffmann," its source being the poet's fairy tale of the same name. Set in Dresden when Hoffmann was conducting opera there (1813-1814), its topicality was doubly assured by its site and Hoffmann's own participation in stage action, an amalgam of turbulent historical events and fantasy. Just as in the Offenbach classic, the on-stage Hoffmann is shown working on an allegorical fairy-tale in order to write an unhappy love affair out of his system. In Bamberg, where he was theatrical music director from 1808 to 1813, Hoffmann had been suddenly jilted by a teen-age voice pupil.

In the opera she is called Serpentina, the blue-eyed daughter of the magician Lindhorst (formerly of Atlanta) who has taken on the form of a "registrar" to encourage

Hoffmann to commit his fantasies to paper.

The symbolism so beloved of the German school then runs riot. Both in Hoffmann's story and Zimmermann's libretto, Serpentina, ex-chanteuse student Anselmus with her eyes to the point of insanity, making him choose her — his ideal

— rather than the much too flesh-and-blood Veronica, whose father Pantmann is on the lookout for a good match.

With such magnificent singers as Olaf Bär (Hoffmann), Hans-Joachim Kessel (Lindhorst), Armin Ude (Anselmus), Christiane Hoffeld (Serpentina) and Kerstin Witt

as the mysterious Pedlarwoman in the cast and Hans-E. Zimmer conducting the Dresden Staatskapelle, the opera was given a bang-up first performance and will enter the repertoire of the Semper Oper.

James Helme Sutcliffe is a Berlin-based critic and musician.

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P	A	R	C	E	R	A	S	E	P	O	S
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NYSE Most Actives

Vol.	High	Low	Last	Chg.
PatPet	23292	23292	23292	0
Amgen	12740	12740	12740	0
Amgen	12740	12740	12740	0
Amgen	12740	12740	12740	0
Amgen	12740	12740	12740	0

Market Sales

NYSE 4 p.m. volume	NYSE 4 p.m. volume
NYSE 4 p.m. volume	NYSE 4 p.m. volume
NYSE 4 p.m. volume	NYSE 4 p.m. volume
NYSE 4 p.m. volume	NYSE 4 p.m. volume
NYSE 4 p.m. volume	NYSE 4 p.m. volume

NYSE Index

High	Low	Close	Chg.
High	Low	Close	Chg.
High	Low	Close	Chg.
High	Low	Close	Chg.
High	Low	Close	Chg.

Tuesday's NYSE Closing
Via The Associated Press

AMEX Diary

Close	Prev.
Close	Prev.
Close	Prev.
Close	Prev.
Close	Prev.

NASDAQ Index

Close	Chg.	Week	Month
Close	Chg.	Week	Month
Close	Chg.	Week	Month
Close	Chg.	Week	Month
Close	Chg.	Week	Month

AMEX Most Actives

Vol.	High	Low	Last	Chg.
Vol.	High	Low	Last	Chg.
Vol.	High	Low	Last	Chg.
Vol.	High	Low	Last	Chg.
Vol.	High	Low	Last	Chg.

Dow Jones Bond Averages

Close	Chg.
Close	Chg.
Close	Chg.
Close	Chg.
Close	Chg.

NYSE Diary

Close	Prev.
Close	Prev.
Close	Prev.
Close	Prev.
Close	Prev.

Odd-Lot Trading in N.Y.

Buy	Sell	*Net
Buy	Sell	*Net
Buy	Sell	*Net
Buy	Sell	*Net
Buy	Sell	*Net

Dow Jones Averages

Open	High	Low	Last	Chg.
Open	High	Low	Last	Chg.
Open	High	Low	Last	Chg.
Open	High	Low	Last	Chg.
Open	High	Low	Last	Chg.

Standard & Poor's Index

High	Low	Close	Chg.
High	Low	Close	Chg.
High	Low	Close	Chg.
High	Low	Close	Chg.
High	Low	Close	Chg.

NASDAQ Diary

Close	Prev.
Close	Prev.
Close	Prev.
Close	Prev.
Close	Prev.

AMEX Stock Index

High	Low	Close	Chg.
High	Low	Close	Chg.
High	Low	Close	Chg.
High	Low	Close	Chg.
High	Low	Close	Chg.

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

NYSE Most Actives

Vol.	High	Low	Last	Chg.
Vol.	High	Low	Last	Chg.
Vol.	High	Low	Last	Chg.
Vol.	High	Low	Last	Chg.
Vol.	High	Low	Last	Chg.

NYSE Falls on Profit-Taking

United Press International
NEW YORK — Stock prices closed lower Tuesday in moderate trading on the New York Stock Exchange, as concerns about global economic conditions pushed buyers to the sidelines and set the stage for profit-taking following the long Memorial Day weekend.

The Dow Jones industrial average, which rose 11.18 points Friday, dropped 18.22 to close at 2,475.55.

Among the broader market indicators, the New York Stock Exchange composite index fell 1.20 to 178.11 and Standard & Poor's 500-stock index slid 2.54 to close at 319.05. The price of an average share lost 24 cents.

Declines outpaced advances by about a 9-5 margin. Big Board volume totaled about 151.8 million shares, compared with about 143.1 million traded Friday.

Analysts said the market suffered a setback due to investors cashing in on gains won over the last several weeks and a lack of any major buying activity.

Pressing the market, they said, were investors' concerns about a decision by the Bank of Japan to raise its discount lending rate — the rate on central bank loans to financial institutions — by 0.75 points to 3.25 percent.

Theoretically, the move is an attempt to curb inflation and to make the dollar less attractive than the yen to investors as interest rate differentials between the United States and Japan are narrowed. It follows a similar decision made last week by the British to raise their base lending rate 1 percentage point to 14 percent.

"The concern over inflation has become international," said Alfred Goldman, market

strategist with A.G. Edwards & Sons Inc. in St. Louis.

Although the Japanese rate hike was expected, "it shook up a lot of people who felt that interest rates were coming down," he said.

Analysts said market players now were focusing on whether West Germany would follow Japan's rate-hike decision with a similar move.

In addition, they said investors were weighing reports that the Federal Reserve Board may actually ease its monetary policy with a modest reduction in the bellwether federal-funds rate, which banks charge on loans to each other.

"This is a confused market," Mr. Goldman said.

He said the profit-taking occurred after a nine-week advance in stock prices that was fueled by the theory of a "soft landing" — a slowing in the economy coupled with an easing of inflation and interest-rate pressures.

On the NYSE, Petrolane Partners, L.P. was the most active issue, jumping 3% to 29%.

AT&T followed, easing 1/4 to 35%.

Utilities (ex-dividend) was third, dropping 1/2 to 29%.

IBM fell 1/4 to 108 1/4 and other blue-chip issues also closed mostly lower. Among them, USX eased 1/4 to 34 1/4, General Electric fell 1/4 to 54, and General Motors slid 1/4 to 40 1/4.

United Telecommunications surged 2 to 69 1/4. Traders said PaineWebber Inc. gave the stock a "buy recommendation" and raised its 1990 earnings estimate for the company to \$6 a share.

In the airline sector, UAL plunged 4 1/4 to 123 1/4 and AMR dropped 2 1/4 to 61 1/4 after analysts lowered both companies' earnings estimates for the second quarter.


NYSE Most Actives

Vol.	High	Low	Last	Chg.
Vol.	High	Low	Last	Chg.
Vol.	High	Low	Last	Chg.
Vol.	High	Low	Last	Chg.
Vol.	High	Low	Last	Chg.

NYSE Most Actives

Vol.	High	Low	Last	Chg.
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Vol.	High	Low	Last	Chg.
Vol.	High	Low	Last	Chg.
Vol.	High	Low	Last	Chg.

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NYSE Most Actives

Vol.	High	Low	Last	Chg.
Vol.	High	Low	Last	Chg.
Vol.	High	Low	Last	Chg.
Vol.	High	Low	Last	Chg.
Vol.	High	Low	Last	Chg.

NYSE Most Actives

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NYSE Most Actives

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NYSE Most Actives

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NYSE Most Actives

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NYSE Most Actives

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Vol.	High	Low	Last	Chg.
Vol.	High	Low	Last	Chg.
Vol.	High	Low	Last	Chg.

(Continued on Page 13)

BUSINESS ROUNDUP

Japanese Airlines Post Profit Gains

Compiled by Our Staff From Dispatches
TOKYO — Japan Air Lines and All Nippon Airways, the country's two largest air carriers, said Tuesday that a travel boom had boosted profit and sales in the year that ended March 31.

JAL, the largest Japanese airline, said current profit rose 34.7 percent to 43.68 billion yen (\$305.2 million), from 32.42 billion yen in the previous year, while net profit rose 3.5 percent to 17.33 billion yen, from 16.74 billion yen.

Operating profit increased 33 percent to 72.76 billion yen, compared with 54.60 billion yen in the previous period.

JAL said that sales climbed 10.2 percent to a record 925.75 billion yen, from 848.99 billion yen a year earlier.

The airline said it carried 7.76 million travelers on international routes, up 11.2 percent over the

preceding year, producing revenue of 501.5 billion yen.

Domestic passenger volume rose 8.1 percent to 11.92 million, accounting for 195.3 billion yen of total revenue.

Mitsui Reports Big Loss

But Predicts a Rebound

Reuters
TOKYO — Mitsui Engineering & Shipbuilding Co. said Tuesday that current profit for the year that ended March 31 rose sharply, but reported a huge net loss of 4.68 billion yen (\$33.7 million). It predicted a recovery this year.

Current profit rose to 11.09 billion yen, compared with a loss of 1.33 billion yen. Last year, Mitsui had a net profit of 856 million yen.

IBM Extends Power of Its Mainframes

Compiled by Our Staff From Dispatches

NEW YORK — International Business Machines Corp., in a move showing its growing interest in the supercomputer market, said Tuesday that it has developed three products to greatly increase the speed of its most powerful Enterprise System 3090 mainframes.

IBM said that the products, called Supercomputing Systems Extensions, would be used by its scientific and engineering customers.

The extensions include a modification to a software programming language that permits IBM to compile two of its largest mainframes, a special high-speed hardware channel for moving information in and out of a computer, and a new way of organizing computer storage disks to speed data transfer.

The software enhancement will give as much as an 80 percent performance increase over the speed of a six-processor 3090, the company's most powerful computer.

Scientists said that the IBM extensions are a precursor of the kind of supercomputing technology being designed by IBM's partner, Steve S. Chen. That machine will have added parallel processor capabilities.

Prices for the systems will be available in 60 days, IBM said.

In boosting the power of its mainframes, IBM is aspiring to move into the market of the world's fastest computers.

In the United States, supercomputers are the preserve of Cray Research Inc. In February, Control Data Corp. said that it was ending production of supercomputers.

In Japan, NEC Corp. and Fujitsu Ltd. have become increasingly competitive in this market. And with the departure of Control Data, many analysts believe that the weight of the Japanese companies will increase.

In April, NEC said that it had developed the world's fastest supercomputer. The company said it could perform 22 billion floating-point operations a second.

They have been a source of trade friction between the United States and Japan. Washington has had problems gaining access to the market in Japan, where it supplies only 6 percent of the supercomputers bought by the government and publicly funded universities.

The United States holds an 80 percent share of the world market for these machines. (NYT, Reuters)

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The United States holds an 80 percent share of the world market for these machines. (NYT, Reuters)

Fiat's Earnings Rise 27%, Topping Most Forecasts

Compiled by Our Staff From Dispatches

ROME — Fiat SpA said Tuesday that consolidated net earnings rose 27.5 percent in 1988, to a record 3,026 billion lire (\$2.08 billion), exceeding most forecasts. Sales rose 15 percent to 44,311 billion lire.

Fiat said the performance was due to strong profit gains in the auto division.

The market had been predicting a rise in profit of around 20 percent, to 2,850 billion or 2,900 billion lire, from 2,373 billion lire a year earlier.

On a per-share basis, net profit rose to 1,293 lire, from 1,014 lire. Fiat said its revenue rose to 44,308 billion lire last year from 38,435 billion lire in 1987.

The company called the results "extremely positive" and said all but one of the group's 14 divisions turned in a net profit last year. The company's aviation division showed a loss.

Fiat's board of directors, chaired by Giovanni Agnelli, proposed raising the dividend by 50 lire, to 320 lire, for each common and preferred share and to 350 lire for each savings share.

(Reuters, AP)

BOWATER INDUSTRIES PLC

9 1/4% Bonds due 15th May 1992

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Court Freezes Key Warrants in LVMH Fight

Reuters

PARIS — Shares in LVMH Moët Hennessy Louis Vuitton SA soared Tuesday after a commercial court froze share warrants owned by Bernard Arnault, chairman of the giant luxury goods group, ahead of a shareholders meeting June 9.

Mr. Arnault, who is seeking control of LVMH, has a blocking minority stake of 44 percent of the company's equity capital. In March, he exercised the 870,000 share warrants to raise his voting rights to 35 percent from 30 percent.

LVMH shares rose 244 francs (\$35.88) to 4,399 francs, before closing at 4,325 francs. A spokesman for Mr. Arnault said, "We are satisfied with the court decision which has no impact on relevant voting rights."

The small shareholders who brought the case against Mr. Arnault claim he bought the warrants secretly without informing other shareholders.

Dealers said the ruling would force Mr. Arnault to buy up shares to defend his position against Henry Racamer, the head of Louis Vuitton, who has 27 percent of voting rights.

Hooker Plans to Sell Assets To Cut Debt and Streamline

Agence France-Press

SYDNEY — Hooker Corp., the Australian property and retail company with major U.S. holdings, is negotiating the sale of one billion Australian dollars (\$756 million) worth of assets in a bid to reduce its debt, according to its executive chairman, George Heise.

Mr. Heise said that Hooker planned to sell its Australian retail assets, including the Ponds jewelry chain, its property funds, about 80 jewelry stores in its U.S.-based Merckman chain and its U.S. housing division.

A statement said the sales over the next year would be aimed at concentrating the group's activities on several core businesses, reducing group debt and maximizing return on shareholders' funds.

The move follows a 20 percent fall in the company's share price in the past four weeks amid concerns about debt levels, liquidity problems in the United States and the planned sale of its 18.1 percent holding in the Hooker Property Trust.

The statement said the company would keep a major position in its land subdivision, housing, project development, agency and real-estate management businesses in Australia, which are considered to be good cash earners.

It will also maintain its project development, department-store and real-estate brokerage and management divisions in the United States. Hooker owns B. Altman &

Co. and Bonwit Teller, among other U.S. retailers.

Jim Cox, Hooker's chief operating officer, said that half of the sales involved real estate, while the remainder were noncore assets.

The sales should reduce Hooker's debt to equity ratio to less than 50-50 from the current level of 70-30, he said.

"Our commitment is to those core businesses, which includes the U.S. department stores, where liquidity problems have been sorted out," Mr. Cox said.

Mr. Heise, who holds 54 percent of the company, is in the United States with two other Hooker Corp. executives to sort out cash-flow problems in one of the U.S. retail chains.

Hooker went on a buying spree in the mid-1980s.

In 1986 and 1987, the concern bought the California-based Merckman Jewellers, the Bonwit Teller division of Allied Stores Corp., a large part of Salvoite Inc. of Houston; a stake in Parisian Inc. of Birmingham, Alabama; and B. Altman, an upscale retailing chain.

Altman's flagship New York City store, occupying the entire block between Madison and Fifth avenues, is a well-known landmark.

Hooker had previously purchased Hooker-Barnes Homes and Hooker Holdings, both of which are based in Atlanta, as well as Merrill Lynch Commercial Real Estate.

CHINA: Investors Show New Fears

(Continued from first finance page) that the power struggle would produce a government more willing to fight corruption. This, he added, would make business better than ever.

Foreign executives in Beijing say they have been impressed with the country's economic growth and its increasing financial sophistication since the late 1970s.

A variety of investment possibilities, including housing, technology transfer, equity joint ventures and co-production agreements, are now available.

In 1988, U.S. investors signed contracts for 269 projects worth \$370 million, according to the U.S. Embassy report.

William Webb, Beijing representative for United Technologies International, said: "We have four very successful joint ventures." These include production units for elevator and air-conditioning equipment.

Instrumental in the transformation has been a new willingness to dispense with Chinese protocol.

"You can practically call anybody and get a meeting," said Frank Hawks, the Beijing representative of Citibank.

But much of that change has been due to the decentralization of economic decisions, and many executives with long experience in China see the power struggle giving new strength to men who prefer a centralized approach.

Vital support for the hard-line faction of Deng Xiaoping, China's senior leader, has come from Chen Yun, an economics expert known to favor central control.

"Those guys don't do that for free," an executive said. "They will exact a cost."

The martial law decree also was a blow, particularly since it appeared to have been declared without proper review. No legal appeal of the decree was attempted.

"I have to have confidence that the rule of law prevails," a banker said. "If I can't count on the law to do business, then I'm not going to do business."

Pargesa Holding SA

GENEVA

1988 DIVIDEND

Following the decision taken by the Shareholders' General Meeting held on May 29, 1989, the dividend for the 1988 fiscal year is payable, free of charge, as of May 30, 1989 by BANQUE PARIBAS (SUISSE) S.A., UNION DE BANQUES SUISSES, SOCIÉTÉ DE BANQUE SUISSE ET CRÉDIT SUISSE, as follows:

Per bearer share of Sfr. 1,000.— nominal value, against remittance of coupon No 11:

Gross amount: Sfr. 65.—
(-35% Federal withholding tax)
Value number: 217 375

Les Domaines Barons de Rothschild (Lafite)

and

Chalone Incorporated

have exchanged cross shareholdings.

The undersigned acted as financial advisor to Les Domaines Barons de Rothschild (Lafite).

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May 31, 1989



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May 30, 1989

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The numerical symbols indicate frequency of distribution: (C) - daily; (W) - weekly; (M) - monthly; (Q) - quarterly; (Y) - annually; (S) - semi-annually; (T) - twice weekly; (M) - monthly

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Tuesday's NASDAQ Prices

Prices as of 4 p.m. New York time.
This list, compiled by the AP, consists of the 100 most actively traded securities in terms of dollar volume.
It is updated twice a year.
Via The Associated Press

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CURRENCY MARKETS

DOLLAR: Japan Tries to Bolster Yen With Rate Rise

(Continued from first finance page)
Japan's announcement, the Finance Ministry and Post and Telecommunications Ministry announced that they, too, will increase rates on financial services they control, such as bank deposits and postal savings accounts.

According to economists in Tokyo, Bank of Japan officials had been anxiously watching the plummeting value of the yen against the U.S. dollar, which officials said has increased the cost of imports and raised prices.

Economists and currency dealers in Tokyo said the Bank of Japan might have to act again soon if it wants to rein in the surging dollar. The chief economist at Sumitomo Bank, Toshiaki Kakimoto, said the rate increase was not aimed at averting inflation, but to cope with a weak yen, Reuters reported.

"However, it is difficult to say now that the discount-rate hike will really stop the depreciation of the yen," he said. "If the dollar rises close to 150 yen, the Bank of Japan may have to consider raising the discount rate again."

"It's very hard for the dollar to go down," said Takatori Makita, a currency dealer at Nippon Credit Bank. "There is nothing to hurt it at the moment."

London Dollar Rates

Currency	Rate	Pct.
Deutsche Mark	2.206	1.95
Swiss Franc	1.575	1.98
Japanese Yen	142.9	14.18
British Pound	1.252	1.22
French Franc	6.575	6.73

Source: Reuters

Mr. Sumita said after the rate increase was announced that it was necessary to allow Japan to nip inflationary pressures, while allowing the booming economy to keep expanding. He described prices as "stable" and said the decision to increase the discount rate was "a precautionary measure."

A major goal of the rate increase, economists agreed, was to drive down the value of the dollar, which has been rising steadily against the yen in the last few weeks.

In addition, Japanese industry, which once suffered as a weakening dollar hurt its ability to export, now has learned to flourish under a strong yen and does not want the situation to change.

The Bank of Japan has been trying unsuccessfully to stem the dollar's rise for the last 10 days, dumping dollars on the market. The central bank apparently hopes that by increasing the discount rate, which is designed to force up other

interest rates, yen investments on such things as certificates of deposits will become more attractive, so the value of the yen will rise again.

But despite concerted central-bank sales, the dollar also rose against the Swiss franc in New York, climbing to 1.7345 francs from 1.7315 francs on Monday, and to 6.7635 French francs from 6.717 francs.

The pound fell to \$1.5720 from \$1.5900.

The dollar took an early fall on the intervention and profit-taking by speculators, but managed to more than recover its losses later in the session.

"A lot of profit-taking from large speculative players" occurred at 143.65 yen and near 2,014 DM, said John Lyman, customer dealer at Bank of Tokyo Ltd. in New York.

"People are really shell-shocked from last week — still smarting," said Mr. Lyman.

In London trading earlier, the dollar also sold earlier. It rose to 2,0105 DM from 1,9875 DM on Monday, and to 143.50 yen from 141.08 yen.

The U.S. currency also finished at 1.7575 Swiss francs from Monday's 1.7530 francs, and at 6.8125 French francs compared with 6.7325 francs.

Home Sales In U.S. Rose 11% in April

WASHINGTON — Sales of new single-family homes in the United States rose 10.9 percent in April to a seasonally adjusted annual rate of 620,000 units, the Commerce Department reported Tuesday.

Even with the increase, the steepest since a 13.9 percent rise in February last year, sales last month were still 8.4 percent below the April 1988 rate of 677,000 units.

The department revised March sales to show a 10.4 percent decrease from February to a 559,000-unit annual rate, instead of the 5.5 percent decrease reported earlier.

Sales fell 17.2 percent in the Northeast and 6.8 percent in the Midwest. But they rose 21.2 percent in the South and 31.3 percent in the West.

Before being adjusted for seasonal factors, the number of homes sold in April totaled 63,000, compared with 58,000 in March and 68,000 a year earlier.

The average price in April of a new home fell to \$145,700, from \$150,500 in March and \$135,600 a year earlier.

HILLS: In Defense of U.S. Stance on Japanese Trade

(Continued from page 1)
for imports of beef and citrus fruits had notably benefited Australia and Italy.

"We're not trying to open markets only for ourselves but to support the multilateral goals" of an open trading system, she said. "We will use all policy tools, including those Congress invested us with" to "use the leverage of our market to energize an open trading system."

Mrs. Hills expressed strong support for GATT, the Geneva-based organization that sets rules for international trade, and current negotiations to expand its purview into agriculture, services and investments.

She met Tuesday with Hiroshi Mitsuoka, Japan's minister for international trade and industry, and said she was optimistic that progress could be made to ease trade friction between the two countries.

The Japanese delegation is headed by Foreign Minister Sosuke Uno, who is expected to be named prime minister later this week. He is scheduled to meet Wednesday with U.S. officials, including Treasury Secretary Nicholas F. Brady, Commerce Secretary Robert A. Mosbacher and Mrs. Hills.

The Japanese have said that they have no intention of negotiating under the gun of the 301 provision, which allows for protectionist actions and then retaliation if no agreement is reached. At the same time, Japanese officials said they were "prepared to solve problems through negotiation and dialogue."

Warning of the "unfavorable" reaction of the Japanese public to having been singled out, Japanese officials said they were urging both governments to act in a "prudent manner."

Mr. Mitsuoka told Mrs. Hills that Japan would rectify whatever unfair trade practices he finds himself, "not by being fingered by the U.S. government."

The Japanese said Mrs. Hills had noted that the three items selected for attention — supercomputers, satellites and forest products — were chosen "prudently" as areas where the government could "hammer out a constructive solution."

Washington last week also put Brazil and India on notice that they must end allegedly unfair trading practices.

Four European Community countries — Italy, Greece, Portugal and Spain — were put on a special "watch list" because of U.S. concerns about their handling of so-called intellectual property, including copyrights and patents.

U.K. Study Sees Dent in Profits

LONDON — Higher interest rates combined with other cost pressures mean that British progress in the fight against inflation will initially be at the expense of corporate profits, the Confederation of British Industry said Tuesday.

The group said a survey shows a domestic slowdown in response to higher interest rates. The eventual extent of the British economic slowdown would depend on the pace of consumer spending, the depletion of corporate inventories and investment, the report concluded.

The study showed that the tight-money policy of the chancellor of the Exchequer, Nigel Lawson, could be going too far.

World Stock Markets

Via Agence France Presse Closing prices in local currencies, May 30

Class Prev. High Low Close Chg.

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SPORTS

Jordan's Heroics Fail Bulls

Pistons' Defense Reigns in 86-80 Victory to Even Series

By Dirk Johnson

New York Times Service

CHICAGO — The Chicago Bulls needed more 11th-hour heroics from Michael Jordan on Monday, but they didn't receive any. Instead, the Detroit Pistons out-muscled the Bulls, 86-80, to tie the four-of-seven game Eastern Conference championship series at two games apiece.

The heroics came from the Detroit defenders, who held Jordan to 23 points, and from the Pistons'

NBA PLAYOFFS

point guard, Isiah Thomas, who scored 27 points and got 10 rebounds. In all, the Pistons out-rebounded the Bulls, 56-40. Joe Dumars added 15 points for the Pistons, and James Edwards, the reserve center, scored 13. Dennis Rodman added 18 rebounds for Detroit.

"We played with seventh-game intensity today," said Chuck Daly, the Pistons' coach. "If we don't play as hard as we can play, I don't think we will win this series. If we do, I think we will win it."

"Isiah was a lot more aggressive," he added. "We need him to be that way if we're going to win." The closest Chicago came in the fourth quarter was 64-62, but Thomas hit a jumper to start a 15-7 run. Another basket by Thomas made it 79-69 with 4:38 left, and the Bulls got no closer than five points after that.

The Pistons, who swept six games from the Bulls in the regular season, came into this series heavily favored. But each game has been a bruising, down-to-the-wire contest. The Detroit victory Monday means that Los Angeles, which won the Western Conference final Sunday by sweeping the Phoenix Suns, will rest for more than a week before the championship series begins.

With the victory Monday, the Pistons regained the home-court advantage: Game 5 will be in Detroit on Wednesday, then the teams will return to Chicago for the sixth game Friday. Game 7, if necessary, will be played Sunday in Detroit.

The Pistons' superior bench played a big part in their victory on Monday. "We just ran out of juice," said Doug Collins, the Bulls' coach. "They can throw so many guys at you. And they just keep coming."

Several defenders contributed to containing Jordan, but it was Rod-



Michael Jordan, shooting through a crowd of Pistons defenders.

man who gave the Bulls' star the most trouble. The Detroit defenders trapped and double-teamed Jordan from the start on Monday. "People don't realize that Chicago is a great team," Rodman said. "To slow down Jordan, you have to get as much help as you can and stay in front of him."

The Pistons' first lead came at the buzzer that ended the first half, as Thomas hit a three-point shot to make the score 42-39.

The Pistons led by 44-39 in the first minute of the second half, but Scottie Pippen scored nine points for the Bulls as Chicago outscored

Detroit, 16-6, over a five-minute stretch to take a 55-50 lead.

Detroit regained a four-point lead by the end of the third quarter, then led by 10 points midway through the fourth quarter.

Trying to rally, the Bulls turned to Jordan on almost every trip down the floor. But he did not respond, shooting only 30 percent from the field and grabbing just two rebounds. Only 11 of his points came after the first quarter.

Pippen had 17 points after three quarters, but could manage only one point in the final quarter.

SIDELINES

Pitino Is Said to Switch

LOUISVILLE, Kentucky (AP) — Rick Pitino will leave the New York Knicks of the NBA to take charge of the troubled University of Kentucky basketball program, sources say.

The 36-year-old Pitino will announce his decision Thursday at a news conference in Lexington, the Courier-Journal newspaper of Louisville and WBSB-TV in New York reported.

Pitino, after visiting the university last week, was offered the position held for four seasons by Eddie Sutton, who resigned in March in the midst of an NCAA investigation that resulted in three years' probation for the Kentucky program.

NCAA Lacrosse Title

COLLEGE PARK, Maryland (NYT) — Syracuse won its second consecutive U.S. collegiate lacrosse championship Monday, beating Johns Hopkins, 13-12, before 23,893 spectators, a record for intercollegiate lacrosse.

The score was tied seven times and Johns Hopkins was ahead more often than Syracuse, by an 8-6 score after two quarters and by 11-9 after three.

Gary Galt of Syracuse, the sport's premier player, was held to two goals, albeit key ones in the second half, by the Blue Jays' superlative defenseman, Dave Pietramala, and their goalie, Quint Kessenich, who had 17 saves.

Hockey Star Tumbles

PONTIAC, Michigan (AP) — Petr Klima, the Detroit Red Wings star who vowed in December that he would never drink again, was in jail Tuesday after his arrest on another drunken-driving charge, police here said.

Klima, 24, defected from Czechoslovakia in 1985 and joined the Red Wings at left wing. He was placed on probation after a conviction for drunken driving in 1987. In October, he was arrested on a drunken driving charge, and he drew a 31-day jail sentence for probation violation.

For the Record

The University of Arkansas posted two one-run victories Monday to join Texas, Cal State-Los Angeles and Wichita State in winning NCAA regional baseball titles and advancing to the College World Series at Omaha, Nebraska. (UPI)

Emerson Fittipaldi, the Indianapolis 500 winner, received a record first-place prize of more than \$1 million from a record purse of \$5.7 million distributed Monday night at the awards banquet for the 73rd Indy race. Fittipaldi, a two-time Formula One driving champion from Brazil, received \$1,001,604 for Sunday's victory. His total surpassed the \$809,853 won by 1988 winner Rick Mears as the highest single payoff. (UPI)

Reggi Surprises No. 3 Zvereva

By Nick Stout

International Herald Tribune

PARIS — Natalia Zvereva, the teen-ager who has challenged the Soviet tennis federation for the right to keep her prize money, won't have very much to haggle over from the 1989 French Open.

FRENCH OPEN

She was eliminated Tuesday in the first round, 3-6, 7-6, 6-2, by Raffaella Reggi, a determined 23-year-old Italian who sensed that Zvereva was taking her for granted.

"This is the most important win of my career," said Reggi, who won the Italian Open in 1985 and the 1986 mixed doubles title at the U.S. Open with Sergio Casal. "I haven't been doing well lately. But I've been working a lot at home. If you work, it's going to pay off. And it really did."

The top two men's seeds, Ivan Lendl and Boris Becker, both advanced easily, as did Andre Agassi and Alberto Mancini. Yannick Noah, seeded 13th and not fully recovered from a foot injury, lost to Luiz Mattar of Brazil. Emilio Sanchez, the No. 12 seed, withdrew with a groin injury.

Hana Mandlikova, the No. 14 seed, was upset by Andrea Vieira, an 18-year-old Brazilian qualifier, 6-7, 6-1, 6-4. But the other women's seeds who played Tuesday advanced, including Conchita Martinez, Susan Sloane, Arantxa Sanchez and Jana Novotna.

Zvereva won the first set and had been leading the second, 5-2, in a match that everyone thought was going to be a routine victory for the No. 3 seed.

But Reggi, ranked 29th, suddenly made the match interesting.

"She thought she was going to win," Reggi said of her 18-year-old opponent. "She just threw away some points without even play-



Raffaella Reggi: 'I have a chance.'

ing them. And I thought, well, maybe I have a chance."

So Reggi began to challenge Zvereva in the forecourt and went ahead, 6-5. Then she served for the set, but lost it at love.

The tiebreaker went back and forth, and Reggi reached set point when Zvereva placed a shot that the linesman said was wide. Zvereva thought otherwise. Her protest held up the game, and she received an official warning from the umpire.

"I do think it was in," Zvereva said. "The linesman was showing me a mark. But there was no mark."

Zvereva then volleyed into the net to give Reggi the second set, and the Soviet teenager was never the same. After a series of mistakes and lackluster play in the third set, Zvereva double faulted to end the match.

"I knew that if I didn't win the second set I'd lose the third," Zvereva said. "My physical condition is not enough to play these hard matches."

Not to mention her mental condition over

her struggle with the Soviet federation. She would not comment on the matter Tuesday. Lendl struggled through a tie-break before settling down to beat Patrick Kilmann, 7-6, 6-3, 6-1, for the second time this month.

"It's always difficult in the first round to get settled down and not to be overanxious," said Lendl, whom most people expect to win this tournament. "Patrick had good timing at first and he was serving very well. My timing wasn't that good. And he had a few lucky breaks."

Recalling a situation in the first set when he was ahead, 5-4, and receiving serve for the set, Lendl said, "He served down the middle and hit the line. He could also have just missed it and it would have been 6-4, and we wouldn't be here talking about it."

Kilmann, a tall 23-year-old West German who upset Jimmy Connors last year at Wimbledon to reach the quarterfinals, blamed himself for the defeat Tuesday.

"I had my chances," he said. "At 6-5, when I was serving for the set I thought I had a good chance to win the set. Then I missed two easy points."

Becker needed less than two hours to eliminate Jim Pugh, an American known primarily for his accomplishments in doubles, 6-4, 6-2, 6-3. The No. 2 seed has made his reputation as a fast-court player, but he has had a good spring on clay and professes to be psychologically prepared for Paris.

In defeating Noah, the local favorite, 7-6, 6-4, 6-7, 6-4, Mattar had to contend with the hostile Center Court crowd. He seemed rattled during the close third-set tiebreaker, when he interrupted his serve a few times to wait for the boots to cease, before he regained his composure to finish the match in four sets. Mattar, a rising star in Brazil, could meet Mats Wilander in the quarterfinals.

Johnson's Doctor Admits Falsifying Report

The Associated Press

TORONTO — Ben Johnson's doctor admitted Tuesday that he drafted and signed a "false" report to the International Olympic Committee on the sprinter's medications after Johnson failed a drug test that cost him a gold medal at the Seoul Games.

Dr. Jamie Astaphan, in his fifth day on the stand at the Canadian inquiry into drug use in athletics, buckled under a barrage of questions concerning his ethical behavior in administering steroids to Johnson and other athletes.

A lawyer for the Ontario College of Physicians and Surgeons asked Astaphan whether he lied when he signed the statement intended to be a complete list — it did not include steroids — of medications he had given Johnson since he began treating him in 1983. "It doesn't include everything," replied Astaphan.

"It is clearly a lie," pressed lawyer Julian Porter.

"It's a false statement," Astaphan conceded.

When was the last time you read the Hippocratic oath? asked Porter.

"Many years ago," replied the 43-year-old doctor, who got his medical degree at the University of Toronto but sold his Toronto practice in 1986 and returned to his native Caribbean island of St. Kitts.

"Where's the part in the oath about helping athletes cheat?" Porter asked.

"The line about 'to the best of my ability and judgment,'" Astaphan replied. "According to my ability and judgment it was preventive medicine... I wanted them not to get sick — and they would harm themselves by getting the steroid elsewhere if I didn't treat them."

The doctor insisted again that he warned his athlete patients of the serious side-effects of long-term steroid use.

The college, the governing body for doctors in the province — empowered to revoke a doctor's licence — announced an investigation of Astaphan and issued a strong anti-steroid directive soon after the scandal broke in Seoul last September.

The exchange with Porter came a day after Astaphan said he would have told Canadian team officials Johnson used steroids if they had asked him in Seoul.

"You weren't going to tell them you'd been giving Mr. Johnson steroids since 1983?" asked a skeptical Mr. Justice Charles Dubin, who heads the commission.

"Why wouldn't I tell them?" said Astaphan, insisting no Canadian team official asked him.

BOOKS

MARY AND RICHARD: A True Story of Love and War

By Michael Burn. 249 pages. \$18.95. Arbor House-William Morrow, 105 Madison Ave., New York, N.Y. 10016.

Reviewed by Herbert Mitgang

HERE are echoes of Robert E. Sherwood's "Waterloo Bridge" in Michael Burn's "Mary and Richard," an unusual reminiscence of a romance that took place during the Battle of Britain.

Reading the exchange of letters between the title's young hero and the privileged "older woman" that form the core of the book, you can almost hear the throbbing of cinematic cellos in the background.

The story of the star-crossed lovers played by Vivien Leigh and Robert Taylor in the memorable 1940 film based on the Sherwood play took the form of a long flashback to a doomed affair in London during World War I.

"Mary and Richard" is a flashback of a different kind, told from the perspective of the present, which recalls the time of love grasped when anti-aircraft guns punctuated the skies and interrupted everyday life in London during World War II.

There is even a genuine film star who plays a true-life part in the book: the exotic Merle Oberon, who was married to the producer Alexander Korda but

who offered intimate solace to, among others, the wounded hero.

What gives "Mary and Richard" its peculiar quality is not so much the romance — there were untold numbers of similar brief encounters in London, Paris, Rome and American cities that were sustained by V-mail letters when men and women were separated by the war — but a third person in the story.

Richard Hillary, 22, was a handsome fighter pilot in the Royal Air Force who had shot down at least five enemy planes during the Luftwaffe's relentless air attacks on London during the summer of 1940. Then he was shot down in the North Sea and suffered severe burns. After a series of painful operations, his face was partly restored by a pioneering plastic surgeon. Mary Booker was twice his age when they met, thanks to an introduction from Oberon. She was a divorced woman with two grown daughters, a half-Irish society beauty of modesty and charm whose mother was a first cousin of W.B. Yeats.

During her yearlong affair with Richard in 1942, Mary became a grandmother. Their age difference apparently had no effect on the affair, but there are hints in the letters that he found a need for her to mother him. She was flattered by the attention of the dashing fighter pilot.

Early in January 1943, despite his physical disabilities, Richard took a plane up in foul weather and crashed near his airbase. He and his navigator were killed instantly.

In 1947, Mary married the author of this book — a former army commando and war prisoner, who became a foreign correspondent, novelist and playwright. They lived together for 27 years until her death in 1974.

Mary had not concealed her relationship with Richard. Some years after Burn discovered the letters she saved in their country house, he decided to write this book about his wife's wartime romance.

One of the dangling questions in the story is about the long and happy marriage between Mary Booker and Michael Burn. Regrettably, the author omits the details of their own romance and life together. That might well have enriched this book by showing the possibility of a second, or third, chance at love.

Herbert Mitgang is on the staff of The New York Times.

BEST SELLERS

This list is based on reports from more than 2,000 bookstores throughout the United States. Weeks on list are not necessarily consecutive.

Week	Fiction	Weeks on list
1	WHILE MY PRETTY ONE SLEEPS, by Mary Higgins Clark	3
2	STAR, by Danielle Steel	6
3	THE JOY LUCK CLUB, by Amy Tan	2
4	THE TEMPLE OF MY FAMILIAR, by Alice Walker	5
5	THE SATANIC VERSES, by Salman Rushdie	1
6	THE JOY LUCK CLUB, by Amy Tan	13
7	STRANGER IN SAVANNAH, by Eugenia Price	10
8	A PRAYER FOR OWEN MEA, by John Irving	8
9	PLAYMATES, by Robert B. Parker	7
10	WE ARE STILL MARRIED, by Gertrude Stein	9
11	THE DIAMOND THRONE, by David Eddings	11
12	THE NAKED HEART, by Jacque- line Brisson	13

13	KILL SHOT, by Elmore Leonard	12
14	BREATHING LESSONS, by Anne Dyer	14
15	KATIE'S EYE, by Margaret Atwood	15
16	BILLY BATHGATE, by E.L. Doc- torow	12

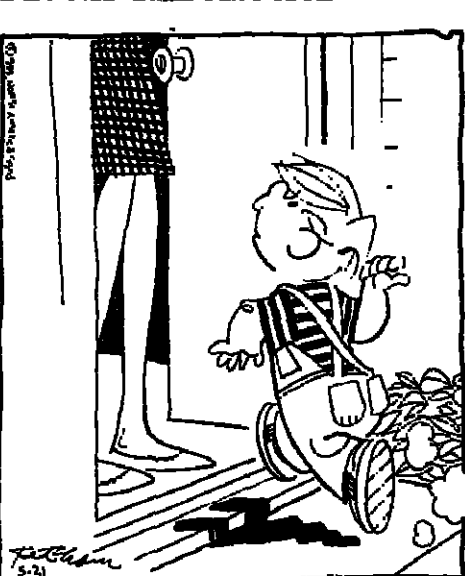
Week	Nonfiction	Weeks on list
1	A WOMAN NAMED JACKIE, by C. David Heyman	1
2	ALL I REALLY NEED TO KNOW I LEARNED IN KINDERGARTEN, by Robert Fulghum	2
3	LOVE AND MARRIAGE, by Bill Coyle	30
4	"FUNNY, YOU DON'T LOOK LIKE A GRANDMOTHER," by Stephen W. Hawking	5
5	A BRIEF HISTORY OF TIME, by Stephen W. Hawking	11
6	ABOUT FACE, by David H. Hack- worth and John Stearns	5
7	SUMMER OF '49, by David Halber- stam	8
8	THE ANDY WARREN DIARIES, edited by Pat Hackett	1
9	THE NIGHT THE BEAR ATE GOONBRAW, by Patrick F. McManus	7
10	CITIZENS, by Simon Schama	6
11	GRACE, by George Burns	7
12	INNUMERACY, by John Allen Paulos	11
13	OUT OF FAITH, by Joe McGinniss	9
14	THE END OF THE LINE, by One Fiction	15
15	NOT THAT YOU ASKED, by Andy Rooney	12

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4	THE 8-WEEK CHOLESTEROL CURE, by R. by A. Scovell	18
5	LEADERSHIP SECRETS OF AT- TILA THE HUN, by West Roberts	3

DOONESBURY

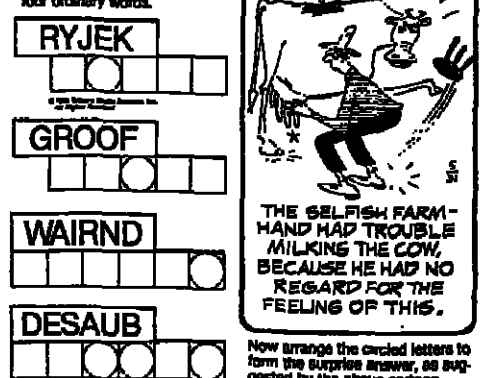


DENNIS THE MENACE



JUMBLE

Unscramble these four Jumble words, one letter to each square, to form four ordinary words.



Print answer here: _____

Yesterday's Jumble: COLIC BRAWL. MANAGE ABORES. Answer: What building that big barrel must have been—A BIG TUB!

BLONDIE



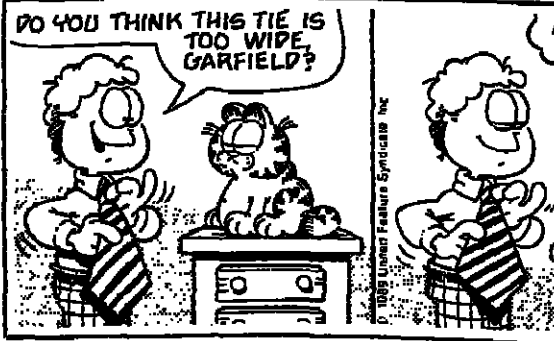
PEANUTS



WIZARD of ID



GARFIELD



SPORTS

O'Leary Paid Dues For Small Bit of Glory

LONDON — What is wrong with our sporting youngbloods? They don't have the old loyalties or staying power, they don't excel for long periods like the champions of old.

They turn out like candles in the wind. Too much, too soon, is the knee-jerk assumption of many whose sporting days are over. They mean too much cash.

The other side to the coin is that administrators — often past champions — sell sports so relentlessly that triumphs simply aren't allowed to mean as much.

Soccer's greed is gargantuan, its players stretched beyond nerve and sinew, playing crucial World Cup matches within days of league and continental cup finals. Any performer who begs a breather is disloyal, weak, finished.

Not just in soccer. One season, Mats Wilander polished off the tennis giants, the next, at 24, he cried out about feeling "finished in the head."

One moment, Donny Lalonde, 28, is training for a world boxing title, the next he quits, saying he can no longer justify buying people for gain.

That's humanity for you. Marketing men think that so long as the profit is healthy the guys should run and run. But not all can be so one-dimensional.

David O'Leary, for instance. He's an Irish romantic who has been in pro soccer for 14 of his 31 years.

Last Friday he cried for joy when Arsenal, his team from boyhood, became England's champion. Victory came with a goal in the last minute of the last game of England's nine-month championship, beating Liverpool in Liverpool's own stadium.

Champs! O'Leary slipped one glass and that half-filled with orange. "I knew," he said, "how important the Irish match was to everyone."

Some 36 hours later, the Republic of Ireland beat Malta, 2-0, in Dublin. O'Leary was outstanding. He finished footsore, thrilled to bits, and ready to celebrate.

Uh, uh! Ireland plays a second World Cup game, against Hungary, this Sunday. Quietly, O'Leary slipped away to a country hostelry to build himself up for that.

Dedication, you may think, of singularly high order. O'Leary is no monk, just determined that no one shall deprive him of his place again.

Half a year ago, he was unwanted. Ireland had ignored him for three years after his manager accused him of disloyalty. The manager, Jack Charlton, an Englishman, had selected O'Leary late for a summer tour. O'Leary, given to understand that his composed defending was not in line with coarser disciplines demanded, had booted a family holiday.

He stuck to family and the manager punished him with what appeared to be a terminal end to his career of 40 international matches. Heartache was followed by physical pain when trouble with an Achilles tendon dogged O'Leary. Rest was the prescribed cure, but Arsenal hadn't the time.

The club pressed O'Leary into matches between which he hobbled on crutches taking the weight off his ankle. Arsenal later spent heavily on a replacement, O'Leary was dropped and, at 30, thought he had had his day.

However, Arsenal needed a wider head to steady its defense as tensions of breaking Liverpool's domination mounted. O'Leary steadied it. Ireland needed more brain from the back when others were injured. O'Leary supplied it.

And in this Indian summer, his 15th with Arsenal, O'Leary reaped rewards of his 600-plus games. He had stayed while fellow Dubliners Liam Brady and Frank Stapleton followed riches in Italy and the Netherlands.

The championship medal came against a Liverpool team weary of leg and short of breath following the trauma of 95 fans being killed at Sheffield and the ensuing hectic matches in 23 days. Liverpool won the FA Cup final, but Arsenal's raw and compelling hunger took its championship.

O'Leary now yearns to play in a World Cup final, for which Ireland is heading to Hungary. The Irish drew 0-0 in Budapest in March, and Dublin's rugged pitch is rutted and rough, better suited to Ireland's aerial play.

But Bertalan Bicsaki, Hungary's manager, who was forced toward youth because match-rigging trials dented his squad, believes his team will be better away from home.

"Our chances look bad," says Bicsaki, "but I have had most of my team since we won the European Under-18 championship. We will give everything, we won't give up."

That is sport's minimum demand. On Wednesday, West Germany and the Netherlands travel to places where they really should win, but underdogs will bite.

The Germans are in Cardiff, again on an uneven rugby pitch, knowing Wales has a fine goalie, a potentially explosive attack, and a partisan following.

West Germany will miss the injured sweeper Klaus Augenthaler but has Andreas Brehme and Lothar Matthaus fresh from winning Italy's league championship with Inter Milan. Jürgen Klinsmann, Inter's \$3.5 million latest acquisition, is there to chase goals.

The Netherlands' task in Finland is four goals. That was West Germany's winning margin in Helsinki last September, but the Finns say their defense has learned lessons, especially in the air.

Rund Gullit, having defied logic by playing for an hour and scoring twice in AC Milan's rout of Steaua Bucharest in the European Cup, offers himself as a substitute to come on if required.

Self-sacrifice may also be needed at Wembley on Saturday for England's crucial game against Poland. Obdurate and defiant, the Poles are weakened by the defection to Cologne of forward Andrej Rudy, putting the odds on Jan Furtok — a legitimate \$1.2 million Polish transfer to Hamburg SV.

As the tension mounts, England may rue its manager's provocative comment that Poland looks to be a very ordinary team and "nothing to be frightened of."

Since then, he's thought of something. The Wembley match kicks off at 3 P.M. and the team's manager, Bobby Robson, observes, "Poland plays their home internationals in the afternoon. They will feel more comfortable, especially if it is warm, sunny afternoon."

A conspiracy, say Gads. The conspirators are Wembley Borough and the police. Apparently, major road work commences around Wembley on Saturday evening and a later start to the match would mean intolerable congestion.

"Roadworks wreck national dream" sounds like a rare excuse to me.

U.S. Supreme Court Lets Stand Prayer Ban at High School Games

WASHINGTON — The U.S. Supreme Court on Tuesday let stand a decision banning organized prayers at the start of high school football games.

The court, without comment, refused to review a ruling in a Georgia case that such prayers are unconstitutional impermissibly promote religion.

The 11th U.S. Circuit Court of Appeals, by a 2-1 vote last Jan. 3, said prayers carried over the public address system before Douglas County, Georgia, High School football games had to stop.

In a ruling affecting all public schools in Georgia, Alabama and Florida, the appeals court said that organized prayers violated the separation of church and state required by past Supreme Court decisions.

But lawyers for the Douglas County school board told the jus-

After 17 Seasons, Schmidt Retires His Bat

Injuries 'Got the Best of Me'

SAN DIEGO — Age and nagging injuries finally caught up with Mike Schmidt, one of the greatest home run hitters ever, who kept his vow to retire when he no longer could play up to his expectations.

"My skills to make the adjustments needed to hit, to make the routine play on defense, to run the bases aggressively have deteriorated," a tearful Schmidt said Monday in his emotional farewell to baseball.

"Realizing this, I have decided not to keep on playing, but to retire effectively immediately," he said.

The Philadelphia Phillies' third baseman announced his decision hours before his teammates lost, 1-0, to the Padres in San Diego.

Schmidt, 39, said his retirement was not related solely to major surgery he underwent last September, his arthritic knees or minor injuries that have plagued him the past few seasons.

"I'm not saying that I have any (physical) problems that other people don't get when they reach 39 or 40," Schmidt explained. "I always did have (nagging injuries) throughout my career. I think it just got to the stage where it got the best of me."

Speaking in hushed tones, Schmidt said his baseball career "has been blessed with many special memories."

"You may not be able to tell, but this is a joyous time for me. I've had a great career," Schmidt said.

"Over the years, I've set high standards for myself as a player and I always said that when I couldn't live up to those standards I would retire."

"I left Dayton, Ohio, 18 years ago with two bad knees and a dream of becoming a baseball player. I think God did it for me," said Schmidt, who then broke down in tears.

Schmidt took several minutes to compose himself while Bill Giles, the Phillies president, lauded the slugger's approach to the game.

"In my opinion you are the greatest third baseman of all time," Giles said. "I don't think Mike Schmidt ever cheated us one day in effort. Michael worked his tail off throughout his career."

Giles said Schmidt would throw out the ceremonial first ball Saturday night when the Phillies host Montreal, and that his uniform would be retired at a later date.

Schmidt, who hit 548 home runs and won 10 Gold Gloves as the National League's top third baseman, has struggled with a 203 average and six home runs in his 17th major-league season. (See Scoreboard)

His home run total ranks seventh on the all-time list and his 10 Gold Gloves at third rank second to Brooks Robinson's 16 for the Baltimore Orioles.

Only Babe Ruth, Harmon Killebrew, Jimmie Fox and Mickey Vernon reached 500 homers in fewer at-bats than Schmidt.

On seven occasions, Schmidt led the majors in home runs to trail only Ruth's record nine seasons. He had only two hits in his last 41 at-bats, however, and led the Phillies in errors with eight, including costly miscues in the club's last two games at San Francisco — both losses.

"This is something I've been mulling over and praying about for a week or so," Schmidt said. "I gave

it some time to turn around on the field. I looked for signs and reasons every night to continue as a player, but I just couldn't find them.

"When I didn't make some plays the last couple of weeks that I used to make with ease and made out on some pitches I should have hit, I just lost confidence in my skills as a player."

Schmidt said he had no immediate plans, but it is believed he is interested in becoming a television analyst. Chris James will take over at third base for the Phillies.

Schmidt informed Nick Leyva, the Phillies' manager, of his decision Sunday on the team's flight to San Diego, then told his teammates when they arrived at their hotel.

Schmidt missed the last two months of the 1988 season because of the shoulder surgery and signed a contract that guaranteed him only \$500,000 for this season. He doubled that by remaining on the roster through May 15, and was to receive another \$500,000 if he was on the roster Aug. 15.

Schmidt hinted after he reached the first bonus level that he might quit.

The Phillies insisted on clauses in his contract this season to be sure that Schmidt, who earned \$2.25 million last season, was physically capable of playing even close to the standards he had set.

He became a free agent after last season.

SCOREBOARD

BASEBALL

Major League Standings

AMERICAN LEAGUE

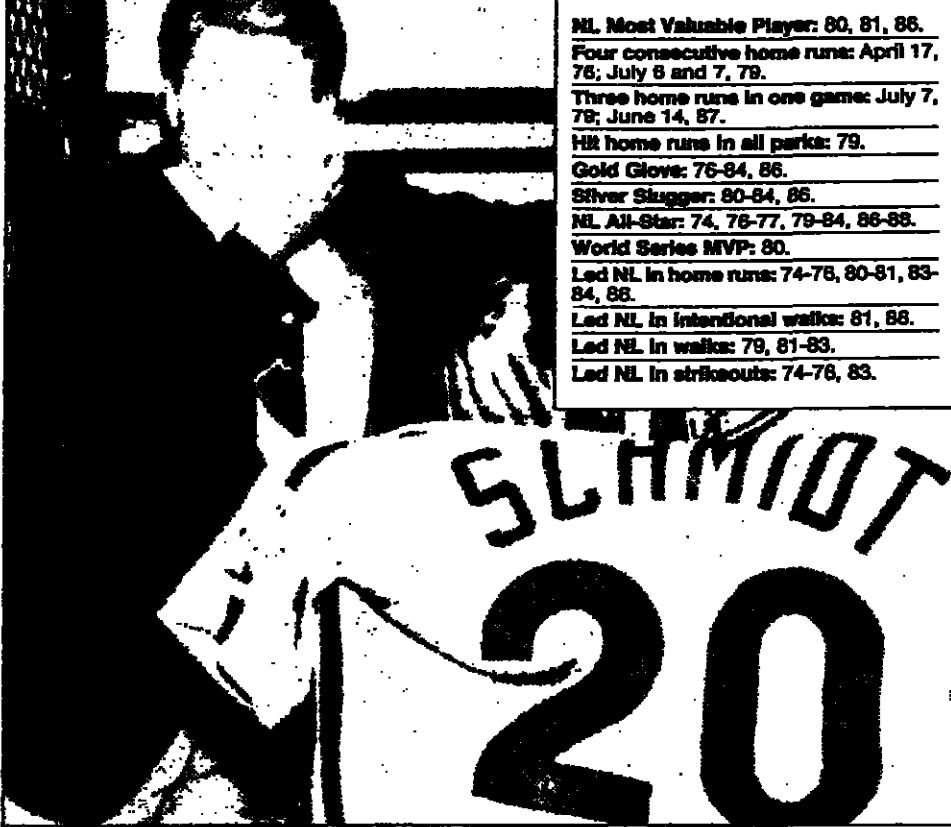
East Division

West Division

NATIONAL LEAGUE

East Division

West Division



The Phillies' third baseman at an emotional press conference Monday announcing his retirement.

Schmidt's Milestones

NL Most Valuable Player: 80, 81, 86.
Four consecutive home runs: April 17, 78; July 9 and 7, 79.
Three home runs in one game: July 7, 79; June 14, 87.
Hit home runs in all parks: 79.
Gold Glove: 76-84, 86.
Silver Slugger: 80-84, 86.
NL All-Star: 74, 76-77, 79-84, 86-88.
World Series MVP: 80.
Led NL in home runs: 74-78, 80-81, 83-84, 86.
Led NL in intentional walks: 81, 86.
Led NL in walks: 79, 81-83.
Led NL in strikeouts: 74-78, 83.

Fearless and 19: Griffey Gives Mariners a Lift

By Malcolm Moran

BOSTON — As the ball headed toward the 379-foot mark on the left-center-field wall last week, no one in Fenway Park could have known that the next moment would link one play on a springtime evening to a chilling moment for another generation.

The people in the stands, many of whom had watched dozens of outfielders make costly judgments when dealing with the odd angles of Fenway's borders, recognized that this drive could easily become a triple if the kid in center field was foolish enough to commit to a leap rather than play the carom.

But Ken Griffey Jr. of the Seattle Mariners, the youngest player in the major leagues at 19 years, six months, recognized a possibility.

In full stride, he leaped, defied the huge green wall, reached with his glove, made the catch, carried backward into the padded wall, fell to the ground and, after a pause, lifted his glove to show that the ball was still there.

The only price for his defiance was a bruised neck. He had made the kind of catch that is usually restricted to those who are fearless, or 19, or both.

It was a moment that would have remained in the New England consciousness for years had it happened on a tense autumn night with a full house and a Wild Card Series on the line.

As the Fenway fans applauded, all Griffey had to say that he had knocked himself dizzy.

Those with longer memories could remember the sixth game of

the 1975 Series against the Cincinnati Reds, and the moment when Fred Lynn of the Red Sox smashed backward into the wall just a few steps away, at the angle where the Green Monster meets the shorter center-field fence, in an unsuccessful leaping attempt to reach a drive that became a triple for Ken Griffey.

Who must now be identified as Ken Griffey Sr.

And who, near the end of spring training less than two months ago, listened at the other end of the telephone to the news he had waited to hear: His son had made the major leagues.

"I kept saying, 'Dad? Dad? Dad?'" Junior remembered. "He didn't say anything."

Spring training had begun with the expectation that the prospect would be promoted from Class AA to AAA. Jim Lefebvre, the Mariners' new manager, recalled:

"I went down with the idea that he was going to convince me, convincingly," Lefebvre said. "One year too soon could be two years back."

Griffey Jr. batted 360 in spring training. Suddenly, his contract was adjusted to the major league minimum of \$68,000.

Donora, Pennsylvania, where the former St. Louis Cardinals' slugger Stan Musial was born, is now the birthplace of the first father and son to play simultaneously in the major leagues.

Griffey Sr. is back with the Reds, in his 17th and possibly final major league season, after stops with the New York Yankees and Atlanta Braves.

Junior is just two years from high school and the expectations



Ken Griffey Jr.

placed upon the first choice in the 1987 draft. He has become the hope of a team that won 68 games last year, has never won more than 76 in any of its 12 seasons, and has consistently appeared as unimpressive as the dreary gray roof of the Seattle Kingdom.

"We were one team that could afford to bring a 19-year-old up," Lefebvre said.

The younger Griffey has begun to change the atmosphere. He is 6 feet 3 (1.91 meters) and 195 pounds (88 kilograms), and not finished. Each day, it seems, he has displayed at least one element of his skills.

His 292 batting average includes a 1-for-18 slump at the beginning of the season. Five of his seven home runs have tied the score or put Seattle ahead.

His baseball sophistication goes beyond any numbers. Lefebvre noted that with two strikes Griffey would move his hands higher up the bat. Older players have gone for years without making that adjustment.

After 12 trips to spring training — two on his own, 10 with Dad — Griffey seems to understand the way the game is played.

This spring, he has already posed for two posters, one with his father. He also has been the inspiration for a candy bar.

On its surface, his life seems as uncomplicated as a second look at a once-buffing football. The manager understands that is not the case.

"His dad said, 'If he gets a little too cocky, just put him in his place,'" Lefebvre said. "I said: 'That's not the point. He's not a cocky kid. He's just a kid that can't say no.'"

His job is to manufacture pleasant memories for a franchise that has had few. Of all the moments to hold on to from the days of Cincinnati's Big Red Machine, these are the ones Griffey Jr. remembers:

"Father and son games," he said. "That was the best day. We'd be dressed at 6 o'clock in the morning. The game would be at 7 o'clock at night."

His laughter interrupted his story. His smile looked like Christmas morning.

TENNIS

French Open

FIRST ROUND

Men

Women

Men

Women

Men

Women

Men

Women

Men

Women

Men

Women

Royals Win On 7 Runs Off Viola

Compiled by Our Staff From Dispatches

Bo Jackson doubled and tripled and Kansas City battered Minnesota's pitcher, Frank Viola, for seven runs in five innings as the Royals defeated the Twins, 7-1, on Monday night in Kansas City, Missouri.

The Royals jumped on Viola for four runs in the third and three in

BASEBALL ROUNDUP

the fifth. Viola, last year's Cy Young Award winner, allowed 12 hits in five innings and now has an earned run average of 4.63. He had won three of his previous four starts.

Jackson, stretching his hitting streak to nine games, knocked in two runs with a double in the third. He tripled with two out in the fifth and scored on a single by Pat Tabler, who had three of the Royals' 14 hits.

Jim Eisenreich added a pair of doubles for the Royals and now has six extra-base hits in his last three games.

Bret Saberhagen gave up five hits for the Royals, struck out three and walking none in five innings. Feeling stiffness in his right shoulder, he was relieved in the sixth.

Randy Bush hit his sixth home run leading off the Minnesota fifth. Tigers 4, White Sox 2: In Chicago, Doyle Alexander allowed three hits in seven innings and Matt Nokes hit a grand slam. Alexander gave up just Dave Gallagher's single in the first. Ivan Calderon's double in the second and a two-out single by Calderon in the fourth.

Angels 12, Brewers 3: In Milwaukee, Claudell Washington's two-run single capped a five-run third inning, and Lance Parrish went 4-for-4 to lead California's season-high 18-hit attack.

Wally Joyner and Johnny Ray each had three hits for the Angels. Dick Schofield drove in three runs. Paul Molitor had four hits for Milwaukee.

Orioles 6, Rangers 1: In Baltimore, Mickey Tettleton, Larry Sheets and Cal Ripken hit solo home runs off Nolan Ryan. Brian Holton had his first victory in six major-league starts.

Ryan struck out 10 batters in six innings, the sixth time this season and 187th in his career. He has fanned 10 or more — the major-league record.

Red Sox 3, Athletics 2: Marty Barrett singled home the game-winning run in the bottom of the 10th in Boston. After the Athletics took a 2-1 lead in the top of the seventh, the Red Sox tied the game on Nick Eassey's home run.

Giants 3, Mets 2: In San Francisco, Don Robinson allowed six hits in seven innings and Brett Butler drove in two runs for the Giants. Craig Lefferts collected his ninth save despite allowing a ninth-inning run.

Astros 3, Cardinals 2: In St. Louis, Craig Biggio doubled in two runs to lead Houston to its fourth straight victory and eighth in a row on the road.

Expos 3, Dodgers 2: In Los Angeles, Andre Galaraga singled off the glove of first baseman Eddie Murray with one out in the ninth to drive in pinch runner Rex Hudler with the winning run for Montreal.

Dave Martinez contributed a two-run triple and Pascual Perez batted two innings of hitless relief.

Padres 1, Phillies 0: Bruce Hurst and Mark Davis combined on a four-hitter, and Tony Gwynn drove in the only run with a first-inning single in San Diego.

AP, UPI

John Won't Quit

Tommy John, the 46-year-old whose surgically rebuilt arm extended his career by 15 years, was told Monday he would be released by the New York Yankees within 24 hours unless he retired. The Associated Press reported from New York.

John, the oldest player in the major leagues, has a 288-231 record. He's been trying to reach 300 victories, a goal achieved by only 19 pitchers, but the Yankees told him he faced a Tuesday release deadline. His quest of No. 300 will continue.

"I'm not retiring," John told The New York Times in a telephone interview Monday night. "If I retire, it will be later on. I'll keep working out and throwing. You never know. Some ball club might be looking around and saying, 'For \$46,000, we can get a cheap insurance policy.'"

John had been scheduled to pitch Tuesday against Seattle, but will be replaced by 25-year-old Jimmy Jones, who was sent to Class AAA Columbus of the International League at the end of spring training.

Jones was 20-21 with San Diego from 1986-88 and 4-3 with 3.86 earned-run average this season with the Clippers.

"We have to prepare for the future, and the future is younger pitching," the Yankees manager, Dallas Green, said.

John, who beat Minnesota 4-2 on opening day, is 2-7 this season with a 5.80 earned-run average.

"It's a tough call when you have the class of a Tommy John," said Green, who had been deliberating the move for several weeks. "I think that he desperately wants 300 wins and it's our opinion it's difficult to get."

Before the game, Green indicated the move was imminent. He said later the Yankees had spent the afternoon attempting to trade the left-hander, who is making \$500,000 this year.

TRANSITION

BASEBALL

AMERICAN LEAGUE

East Division

West Division

NATIONAL LEAGUE

East Division

West Division

